

# **Independent Practitioner's Reasonable Assurance Report on Identified Sustainability Information In Larsen And Toubro Limited's Business Responsibility And Sustainability Report**

## **To the Board of Directors of LARSEN & TOUBRO LIMITED**

1. We have undertaken to perform reasonable assurance engagement, for LARSEN AND TOUBRO LIMITED (the "Company") vide our engagement letter dated February 20, 2025 in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information" or "BRSR Core indicators") in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Business Responsibility and Sustainability Report (the "BRSR" or the "Report") of the Integrated Annual Report (the "IAR") of the Company for the year ended March 31, 2025. This engagement was conducted by our multidisciplinary team including assurance practitioners, environmental engineers and specialists.
2. **Identified Sustainability Information**  
Our scope of reasonable assurance consists of the BRSR Core indicators listed in the Appendix I to our report. The reporting boundary of the Report is as disclosed in Question 13 of Section A: General Disclosure of the BRSR with exceptions disclosed by way of note under respective questions of the BRSR, where applicable.
3. **Criteria**  
The Criteria used by the Company to prepare the Identified Sustainability Information is as under:
  - Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended;
  - Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 (the "SEBI Master Circular"); SEBI Press Release PR No.36/2024 dated December 18, 2024;
  - Industry Standards on Reporting of BRSR Core as per SEBI Circular SEBI/HO/CFD/CFD-PoD- 1/P/CIR/2024/177 dated December 20, 2024; and
  - SEBI Circular SEBI/HO/CFD/CFD - PoD-1/P/CIR/2025/42 dated March 28, 2025.
4. **Management's Responsibility**  
The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information including the reporting boundary of the Report, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the Report and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.
5. **Inherent limitations**  
The absence of a significant body of established practice on which to draw to evaluate and measure non- financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.
6. **Our Independence and Quality Control**  
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the and the SEBI Master and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

We apply Standard on Quality Control (“SQC”) 1, “Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements”, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

## 7. Our Responsibility

Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, “Assurance Engagements on Sustainability Information”, and Standard on Assurance Engagements (SAE) 3410 Assurance Engagements on Greenhouse Gas Statements (together the “Standards”), both issued by the Sustainability Reporting Standards Board (the “SRSB”) of the ICAI.

These Standards require that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information listed in Appendix I and included in the Report are prepared, in all material respects, in accordance with the Criteria stated under paragraph 3 above.

As part of reasonable assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

## 8. Reasonable Assurance

A reasonable assurance engagement involves identifying and assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- i. Obtained an understanding of the Identified Sustainability Information and related disclosures;
- ii. Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- iii. Made inquiries of Company's Management, including sustainability team, compliance team, human resource team amongst others and those with the responsibility for preparation of the Report;
- iv. Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at other project locations/offices on a sample basis. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures in addition to inquiry of the personnel responsible for the Identified Sustainability Information;
- v. Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;
- vi. Tested the key assumptions, emission factors and methodologies used for calculation of Greenhouse Gas (the “GHG”) emissions;
- vii. Tested the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis; and
- viii. Tested the consolidation for project locations/offices on a sample basis and corporate office under the reporting boundary for ensuring the completeness of data being reported.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

**9. Exclusions**

Our assurance scope excludes the following and therefore we do not express an opinion on:

- Aspects of the Report and the data/information (qualitative or quantitative) other than the Identified Sustainability Information; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

**10. Other information**

The Company's Management is responsible for the Other information. The Other information comprises the information included within the BRSR, other than Identified Sustainability Information and our independent assurance report dated May 22, 2025 thereon.

Our opinion on the Identified Sustainability Information does not cover the Other information and we do not express any form of assurance thereon.

In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Other information, we are required to report that fact. We have nothing to report in this regard.

**11. Basis for Qualified Conclusion**

- As described in the Note to BRSR - Section C: Principle 6 "Business should respect and make efforts to respect and restore the environment" - Essential Indicators 3 and 4 of the Report which pertains to details related to water, the Company has redesigned its Standard Operating Procedures (the "SOPs"), by implementing a new data management platform and has adopted a hybrid approach consisting of direct measurement through flowmeters or through estimation where direct measurement is not possible. However, the Company's redesigned SOPs are not uniformly implemented across project sites in relation to use of appropriate estimation methods for water withdrawal, wastewater generation and water discharge. In the absence of sufficient appropriate evidence to test the completeness and accuracy of the disclosures under Essential Indicators 3 and 4 as at and for the year ended March 31, 2025, we were unable to determine whether any adjustments to the reported figures with respect to those essential indicators were necessary or not as at and for the year ended March 31, 2025.
- As described in the Note to BRSR - Section C: Principle 6 "Business should respect and make efforts to respect and restore the environment" - Essential Indicator 9 of the Report which pertains to details related to waste management, the quantification of construction and demolition waste (the "C&D waste") generated and its disposal is complex due to heterogeneous composition, voluminous nature and due to lack of application of standardised measurement methodology. Considering the complexity, the Company has used estimation methods for measuring waste generation based on volume of activity or output at respective sites and waste generation per unit activity or process. In the absence of sufficient appropriate evidence to test the completeness and accuracy of the disclosures under the C&D waste as at and for the year ended March 31, 2025, we were unable to determine whether any adjustments to the reported figures with respect to the C&D waste were necessary or not as at and for the year ended March 31, 2025.
- As described in the Note to BRSR Section C Principle 5 "Businesses should respect and promote human rights" – Essential Indicator 3(b) "Gross wages paid to females as % of total wages paid by the entity" and Principle 8 "Businesses should promote inclusive growth and equitable development" – Essential Indicator 5 "Job Creation in smaller towns", the Company has considered the wages paid to other-than-permanent workers based on filings made under Contract Labour (Regulation and Abolition) Act (the "CLRA") for the calendar year 2024. The data collation process is largely manual and is not reconciling completely with the source documents (i.e. wage registers, invoices etc.). In the absence of sufficient appropriate evidence to check the accuracy of the disclosures under "Gross wages paid to females as % of total wages paid by the entity" and "Job Creation in smaller towns" as at and for

the year ended March 31, 2025, we were unable to determine whether any adjustments to the reported figures with respect to "Gross wages paid to females as % of total wages paid by the entity" and "Job Creation in smaller towns" were necessary or not as at and for the year ended March 31, 2025.

**12. Qualified Reasonable Assurance Opinion**

Except for the effect of the matter described in the Basis for Qualified Conclusion section of our report, the Identified Sustainability information as mentioned in Annexure I is fairly presented, in all material respects, in accordance with Criteria mentioned in paragraph 3 above.

**13. Restriction on use**

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Reasonable Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W / W-100018)

**Pratiq Shah**

Partner Membership No. 111850

UDIN:25111850BNUHLR1326

Place: Mumbai

Date: May 22, 2025

**APPENDIX I**
**Identified Sustainability Information subject to Reasonable Assurance**

Sr. No	Reporting Standard Reference	Indicator number
<b>Section C: Principle [P] Wise Performance Disclosures- Essential Indicators [E]</b>		
1	P-1 [E]-8	Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured).
2	P-1 [E]-9	Details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties.
3	P-3 [E]-1(c)	Spending on measures towards well-being of employees and workers (including permanent and other than permanent)
4	P-3 [E]-11	<b>Details of safety related incidents:</b> <ul style="list-style-type: none"> <li>- Loss Time Injury Frequency Rate (LTIFR) (per one million person hours worked) (employees and workers)</li> <li>- Total recordable work related injuries (LTI) (employees and workers)</li> <li>- Number of fatalities (employees and workers)</li> <li>- High consequence work-related injury or ill-health (excluding fatalities) (employees and workers)</li> </ul>
5	P-5 [E]-3(b)	Gross wages paid to females as % of total wages paid by the entity.
6	P-5 [E]-7	<b>Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:</b> <ul style="list-style-type: none"> <li>- Total Complaints on Sexual Harassment (POSH) reported</li> <li>- Complaints on POSH as a % of female employees / workers</li> <li>- Complaints on POSH upheld</li> </ul>
7	P-6 [E]-1	<b>Details of total energy consumption (in Joules or multiples) and energy intensity;</b> <ul style="list-style-type: none"> <li>- Total Energy consumed</li> <li>- Total energy consumed from renewable sources (% of energy consumed from renewable sources)</li> <li>- Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)</li> <li>- Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)</li> </ul>
8	P-6 [E]-3	<b>Disclosures related to water withdrawal and consumption:</b> <ul style="list-style-type: none"> <li>- Water withdrawal by source (in kiloliters)</li> <li>- Total volume of water withdrawal (in kiloliters)</li> <li>- Total water consumption (in kiloliters)</li> <li>- Water intensity per rupee of turnover (Total water consumed / Revenue from operations)</li> <li>- Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Water consumed / Revenue from operations adjusted for PPP)</li> </ul>
9	P-6 [E]-4	Water Discharge by destination and level of treatment (in kiloliters)
10	P-6 [E]-7	<b>Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:</b> <ul style="list-style-type: none"> <li>- Total Scope 1 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</li> <li>- Total Scope 2 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</li> <li>- Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)</li> <li>- Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)</li> </ul>

Sr. No	Reporting Standard Reference	Indicator number
<b>Section C: Principle [P] Wise Performance Disclosures- Essential Indicators [E]</b>		
11	P-6 [E]-9	<b>Details related to waste management by the entity:</b> <ul style="list-style-type: none"> <li>- Total weight of waste generated (in metric tons)</li> <li>- Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)</li> <li>- Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)</li> <li>- For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)</li> <li>- For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)</li> </ul>
12	P-8 [E]-4	<b>Percentage of input material (inputs to total inputs by value) sourced from suppliers.</b> <ul style="list-style-type: none"> <li>- Directly sourced from MSMEs/small producers</li> <li>- Directly from within India</li> </ul>
13	P-8 [E]-5	Job creation in smaller towns- wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis), as % of total wage cost.
14	P-9 [E]-7	<b>Information relating to data breaches:</b> <ul style="list-style-type: none"> <li>- Number of instances of data breaches</li> <li>- Percentage of data breaches involving personally identifiable information of customers</li> <li>- Impact, if any, of the data breaches</li> </ul>

## LARSEN & TOUBRO LIMITED

Regd. Office: L&T House, Ballard Estate, Mumbai 400 001.

CIN: L99999MH1946PLC004768

Email: [igrc@larsentoubro.com](mailto:igrc@larsentoubro.com) • Website: [www.larsentoubro.com](http://www.larsentoubro.com)

Tel No: 022-67525656 • Fax No: 022-67525858

### Notice

**NOTICE IS HEREBY GIVEN THAT** the Eightieth Annual General Meeting of **LARSEN & TOUBRO LIMITED** will be held through **VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS on Tuesday, June 17, 2025 at 3:00 P.M. IST** to transact the following business:

#### Ordinary Business

- 1) To consider and adopt the audited standalone financial statements of the Company for the year ended March 31, 2025 and the Reports of the Board of Directors and Auditors' thereon.
- 2) To consider and adopt the audited consolidated financial statements of the Company for the year ended March 31, 2025 and the report of the Auditors' thereon.
- 3) To declare a final Dividend of ₹ 34 per share of face value of ₹ 2/- each for FY 2024-25.
- 4) To appoint a Director in place of Mr. S. V. Desai (DIN: 07648203), who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To appoint a Director in place of Mr. T. Madhava Das (DIN: 08586766), who retires by rotation and being eligible, offers himself for re-appointment.

#### Special Business

- 6) **Appointment of Mr. Subramanian Sarma (DIN: 00554221) as the Deputy Managing Director & President.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Schedule V of the Act and the rules made thereunder and subject to such consents, permissions and approvals as may be required in this regard, Mr. Subramanian Sarma (DIN: 00554221) be and is hereby appointed as the Deputy Managing Director & President of the Company with effect from April 2, 2025 upto and including February 3, 2028.

**RESOLVED FURTHER THAT** Mr. Subramanian Sarma in his capacity as the Deputy Managing Director & President, be paid remuneration as may be fixed by the Board, from time to time, as prescribed under the Companies Act, 2013 and within the limits approved by the members as per the details given in the explanatory statement."

- 7) **Re-appointment of Mr. S. V. Desai (DIN: 07648203) as a Whole-time Director.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with Schedule V of the Act and the rules made thereunder and subject to such consents, permissions and approvals as may be required in this regard, Mr. S. V. Desai (DIN: 07648203) be and is hereby re-appointed as the Whole-time Director of the Company with effect from July 11, 2025 upto and including July 4, 2030.

**RESOLVED FURTHER THAT** Mr. S. V. Desai in his capacity as Whole-time Director, be paid remuneration as may be fixed by the Board, from time to time, as prescribed under the Companies Act, 2013 and within the limits approved by the members as per the details given in the explanatory statement."

- 8) **Re-appointment of Mr. T. Madhava Das (DIN: 08586766) as a Whole-time Director.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with Schedule V of the Act and the rules made thereunder and subject to such consents, permissions and approvals as may be required in this regard, Mr. T. Madhava Das (DIN: 08586766) be and is hereby re-appointed as the Whole-time Director of the Company with effect from July 11, 2025 upto and including July 10, 2030.



**RESOLVED FURTHER THAT** Mr. T. Madhava Das in his capacity as Whole-time Director, be paid remuneration as may be fixed by the Board, from time to time, as prescribed under the Companies Act, 2013 and within the limits approved by the members as per the details given in the explanatory statement.”

9) **Appointment of M/s S. N. Ananthasubramanian & Co., Practicing Company Secretaries, as the Secretarial Auditors and fix their remuneration.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. S. N. Ananthasubramanian & Co. (SNACO), Practising Company Secretaries (Firm registration No. P1991 MH040400), be and is hereby appointed as the Secretarial Auditors of the Company, for a term of five consecutive financial years commencing from April 1, 2025 till March 31, 2030, at such remuneration as may be determined by the Board of Directors of the Company (including its Committee thereof as may be authorised in this regard).

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee thereof), be and are hereby authorised to decide and finalize the terms and conditions of appointment, including the remuneration of the Secretarial Auditors, from time to time, and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

10) **Entering into material related party transactions with Larsen Toubro Arabia LLC.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), applicable provisions of the Companies Act, 2013 (the “Act”) and the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, Related Party Transactions Policy of the Company and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded

to the Company for entering into and/or continuing to enter into contracts/transactions, with **Larsen Toubro Arabia LLC**, a subsidiary of the Company and Related Party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, in the nature of a) sale, purchase, lease or supply of goods, business assets or property or equipment; b) availing or rendering of services; c) transfer or exchange of any resources, services or obligations to meet its business objectives/ requirements; d) providing parent company guarantees or letter of comfort or undertaking (“Related Party Transactions”), aggregating upto an amount not exceeding ₹ **12,600 crore** on such material terms and conditions as detailed in the explanatory statement to this resolution and as may be decided by the Board of Directors of the Company (including any Committee thereof) as deemed fit, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Audit Committee of the Company be and is hereby authorised to delegate all or any of the powers conferred on it as they may deem fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

11) **Entering into material Related Party Transactions with L&T Metro Rail (Hyderabad) Limited.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), applicable provisions of the Companies Act, 2013 (the “Act”) and the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, Related Party Transactions Policy of the Company and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for entering into and/or continuing to enter into contracts/transactions, with **L&T Metro Rail (Hyderabad) Limited**, a subsidiary of the Company and Related Party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, in the nature of a) sale, purchase, lease or supply of goods or business assets or property or equipment; b) availing or rendering of services; c) transfer of any resources, services or obligations to meet the Company's business objectives/ requirements; d) providing parent company guarantees or letter of



comfort or undertaking ("Related Party Transactions"), aggregating upto an amount not exceeding ₹ **11,000 crore** on such material terms and conditions as detailed in the explanatory statement to this resolution and on such terms and conditions as may be decided by the Board of Directors of the Company (including any Committee thereof) as deemed fit, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Audit Committee of the Company be and is hereby authorized to delegate all or any of the powers conferred on it as they may deem fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

**12) Entering into material Related Party Transactions with L&T Technology Services Limited.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the applicable provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, Related Party Transactions Policy of the Company and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for entering into and/or continuing to enter into contracts/transactions, with **L&T Technology Services Limited**, a subsidiary of the Company and Related Party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, in the nature of a) sale, purchase, lease or supply of goods or business assets or property or equipment; b) availing or rendering of services; c) transfer of any resources, services or obligations to meet the Company's business objectives/requirements ("Related Party Transactions"), aggregating upto an amount not exceeding ₹ **3,000 crore** on such material terms and conditions as detailed in the explanatory statement to this resolution and on such terms and conditions as may be decided by the Board of Directors of the Company (including any Committee thereof) as deemed fit, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Audit Committee of the Company be and is hereby authorized to delegate all or any of the powers

conferred on it as they may deem fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

**13) Entering into material Related Party Transactions with L&T Modular Fabrication Yard LLC.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the applicable provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, Related Party Transactions Policy of the Company and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for entering into and/or continuing to enter into contracts/transactions, with **L&T Modular Fabrication Yard LLC**, a subsidiary of the Company and Related Party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, in the nature of a) sale, purchase, lease or supply of goods or business assets or property or equipment; b) availing or rendering of services; c) transfer of any resources, services or obligations to meet the Company's business objectives/ requirements ("Related Party Transactions"), aggregating upto an amount not exceeding ₹ **5,500 crore** on such material terms and conditions as detailed in the explanatory statement to this resolution and on such terms and conditions as may be decided by the Board of Directors of the Company (including any Committee thereof) as deemed fit, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Audit Committee of the Company be and is hereby authorized to delegate all or any of the powers conferred on it as they may deem fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

**14) Entering into material Related Party Transactions with LTIMindtree Limited.**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the applicable provisions of the Companies Act, 2013 (the "Act") along with the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, Related Party Transactions Policy of the Company and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for entering into and/or continuing to enter into contracts/transactions, with **LTIMindtree Limited**, a subsidiary of the Company and Related Party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, in the nature of a) sale, purchase, lease or supply of goods or business assets or property or equipment; b) availing or rendering of services; c) transfer of any resources, services or obligations to meet the Company's business objectives/ requirements; d) availing inter corporate borrowings ("Related Party Transactions"), aggregating upto an amount not exceeding ₹ **1,500 crore** on such material terms and conditions as detailed in the explanatory statement to this resolution and on such terms and conditions as may be decided by the Board of Directors of the Company (including any Committee thereof) as deemed fit, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Audit Committee of the Company be and is hereby authorized to delegate all or any of the powers conferred on it as they may deem fit and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

15) **Entering into material Related Party Transactions with Apollo Hospitals Enterprise Limited:**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the applicable provisions of the Companies Act, 2013 (the "Act") along with the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, Related Party Transactions Policy of the Company and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded for entering into and/or continuing to enter

into contracts/arrangements/transactions with, **Apollo Hospitals Enterprise Limited**, a 'Related Party' of the Company within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, in the nature of a) sale, purchase, lease or supply of goods or equipment including assets for buildings; b) procurement or rendering of services; c) transfer of any resources, services or obligations to meet the Company's business objectives/requirements ("Related Party Transactions"), aggregating upto an amount not exceeding ₹ **2,400 crore** on such material terms and conditions as detailed in the explanatory statement to this resolution and on such terms and conditions as may be decided by the Board of Directors of the Company (including any Committee thereof) as deemed fit, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Audit Committee of the Company be and is hereby authorised to delegate all or any of the powers conferred on it as they may deem fit and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

16) **Ratification of remuneration payable to Cost Auditors for FY 2025-26:**

To consider and, if thought fit, to pass the following as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies the remuneration of ₹ 19 lakhs plus applicable taxes and out of pocket expenses at actuals for travelling and boarding/ lodging for the financial year ending March 31, 2026 to M/s R. Nanabhoy & Co. Cost Accountants (Regn. No. 000010), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2025-26."

By Order of the Board  
For **LARSEN & TOUBRO LIMITED**

**SUBRAMANIAN NARAYAN**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER**  
**M.NO – A16354**

**Mumbai, May 10, 2025**

**Notes:**

- [a] The Notice of Annual General Meeting was approved by the Board of Directors at its meeting held on May 8, 2025.
- [b] The information required to be provided under the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ("Listing Regulations") and the Secretarial Standard-2 on General Meetings, regarding the Directors who are proposed to be appointed/ re-appointed and the related Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of Special Business are annexed hereto.

[c] **Meeting through VC/OAVM:**

Ministry of Corporate Affairs ("MCA") vide its Circular No. 9/2024 dated September 19, 2024 (In continuation with the Circulars issued earlier in this regard) ("MCA Circulars") has allowed conducting Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) without the physical presence of Members till September 30, 2025. In compliance with the applicable provisions of the Act and MCA Circulars, the 80th AGM of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. Since this AGM is being held through VC/OAVM the physical attendance of members is dispensed with and no proxies would be accepted by the Company. No proxy form has been sent along with this Notice. No attendance slip/route map has been sent along with this Notice as the meeting is held through VC/ OAVM. Members who are shareholders as on **Tuesday, June 10, 2025 ("Cut-off Date")** can join the AGM, 30 minutes prior to the commencement of the AGM i.e. at 2:30 P.M. and till the time of the conclusion of the AGM by following the procedure mentioned in this Notice.

The attendance through VC/OAVM is restricted and hence members will be allowed on first come first served basis. However, as per the MCA Circulars, attendance of Members holding more than 2% of the shares of the Company, Institutional Investors as on the Cut-off Date, Directors, Key Managerial Personnel and Auditors will not be restricted on first come first served basis. Members attending the AGM through VC/OAVM will be counted for the purposes of Quorum under Section 103 of the Act.

[d] **Final Dividend for FY 2024-25:**

The Board of Directors, at its meeting held on May 8, 2025, has recommended a Final Dividend of ₹ 34 per share. The record date for the purpose of payment of final dividend is **Tuesday, June 3, 2025**. Final Dividend if approved by the Members at this AGM will be directly credited to the bank accounts of the shareholders whose names appear, as at the Record Date, in the register of members or the beneficiary position data furnished by the Depositories.

SEBI vide its Master Circular No. SEBI/HO/MIRSD/ POD-1/P/ CIR/2024/37 dated May 7, 2024, has

mandated that with effect from April 1, 2024, dividend to security holders who are holding securities in physical form, shall be paid only through electronic mode. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), bank account details and specimen signature ("KYC") and choice of Nomination. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/sep-2024/1727418250017.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf)

Members holding shares in physical form are requested to furnish Form ISR-1, Form ISR-2 and SH-13 (available on the Company's website at <https://investors.larsentoubro.com/DownloadableForms.aspx#>) to update KYC and choice of Nomination (in case the same are not already updated), to KFin Technologies Limited ("KFintech"), Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, who are the Company's Registrar and Share Transfer Agents, so as to reach them latest by the Record Date i.e. Tuesday, June 3, 2025. Alternatively, members may send the documents by email to KFintech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or upload on their web-portal <https://ris.kfintech.com>, provided in both cases the documents furnished shall have digital signature of the holders. In respect of members holding shares in demat mode, the details as furnished by the Depositories as on the Record Date will be considered by the Company. Hence, members holding shares in demat mode are requested to update their details with their Depository Participants at the earliest.

[e] **TDS on Dividend:**

Dividend income is taxable in the hands of shareholders and the Company is required to deduct Tax at Source (TDS) from dividend paid to shareholders at the prescribed rates. Also, please note that the TDS rate would vary depending on the residential status, category of the shareholder, compliant/ non-compliant status in terms of Section 206AB of the Income Tax Act, 1961 and is subject to submission of all the requisite declarations/documents to the Company.

The Company will send a separate communication to the shareholders with the details of applicable tax rates to different categories of shareholders and the documents/details required to be submitted by the shareholders. These details would also be available on the website of the Company at <https://investors.larsentoubro.com/listing-compliance-agm.aspx>.

Members are requested to provide the documents/ details to KFintech within the time prescribed in the communication being sent to the shareholders in

order to enable us to determine the appropriate rate at which tax has to be deducted at source under the respective provisions of the Income-tax Act, 1961.

**[f] Dispatch of AGM Notice and Integrated Annual Report through electronic mode:**

In line with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, this Notice along with the Integrated Annual Report for FY 2024-25 is being sent by electronic mode to those Members whose email addresses are registered with the Depositories/ Depository Participants/ KFinTech. Members may note that the Notice and Integrated Annual Report 2024-25 will also be available on the Company's website [www.larsentoubro.com](http://www.larsentoubro.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL <https://www.evoting.nsdl.com>. Hard copy of the full Integrated Annual Report will be sent to shareholders upon request.

Additionally, as per Regulation 36(1)(b) of the Listing Regulations a letter providing the weblink of the Integrated Annual Report for FY 2024-25, will be sent to those shareholder(s) who have not registered their email address with the Company/ Depositories/ Depository Participants/ KFinTech.

The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e., date and time of AGM, details for e-voting, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses, manner of providing mandate for dividends, and other matters as may be required.

**[g] Procedure for registration of email address by shareholders:**

1. Those Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:
  - a) Members holding shares in physical forms are requested to furnish Form ISR-1, Form ISR-2 and SH-13 (available on the Company's website at <https://investors.larsentoubro.com/DownloadableForms.aspx>) along with the necessary attachments mentioned in the said Forms to KFinTech, Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Members may also email the duly filled forms to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). This will

enable the shareholders to receive electronic copies of the Integrated Annual Report for FY 2024-25 and this Notice.

- b) Members holding shares in demat form may validate/update their email address and other details with their respective Depository Participants.
2. Members who have already registered their email addresses are requested to get their email addresses validated with their Depository Participants/ KFinTech to enable servicing of notices / documents / Annual Reports electronically to their email address.

**[h] Important Information:**

1. Members may note that as per SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/ 2024/37 dated May 7, 2024, it is mandatory for all holders of physical securities in listed entities to update their KYC and choice of Nomination with the Registrar and Share Transfer Agent ('RTA'), in case they have not updated the same. As per the SEBI Circular, effective from April 1, 2024, RTA i.e. KFinTech will attend to all service requests of the shareholders with respect to transmission, dividend, etc., only after updating the above details in the records.

As per the aforesaid SEBI Circular, members holding securities in physical form may note that any future dividend payable against their shareholding would be withheld if their KYC and choice of Nomination are not updated with the RTA.

For the purpose of updation of KYC and choice of Nomination, members are requested to send the necessary forms (ISR-1, ISR-2 and SH-13) along with the necessary attachments mentioned in the said Forms to KFinTech, Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032.

Alternatively, members may send the documents by email to KFinTech at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) or upload on their webportal <https://ris.kfintech.com>, provided in both cases the documents furnished shall have digital signature of the holders.

2. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities

certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://investors.larsentoubro.com/DownloadableForms.aspx#> and on the website of the KFintech at <https://ris.kfintech.com>. It may be noted that any service request can be processed only after the folio is KYC compliant.

3. SEBI on January 24, 2022 has amended Listing Regulations and has mandated that transfer of securities should be done in dematerialized form only. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialize the shares held by them in physical form.
4. SEBI has issued a circular dated March 19, 2025, titled **"Harnessing DigiLocker as a Digital Public Infrastructure for Reducing Unclaimed Assets in the Indian Securities Market"** to address the issue of unclaimed financial assets. This initiative enables investors to store and access information of their demat and mutual fund holdings through DigiLocker, a key Digital Public Infrastructure, benefiting investors and their families.

Shareholders can also appoint Data Access Nominees within the DigiLocker application. In case of an unfortunate event of demise of shareholder, the nominees will be provided read-only access to the DigiLocker account, ensuring that essential financial information is accessible to legal heirs.

For details, you may refer the above mentioned circular at [https://www.sebi.gov.in/legal/circulars/mar-2025/harnessing-digilocker-as-a-digital-public-infrastructure-for-reducing-unclaimed-assets-in-the-indian-securities-market\\_92769.html](https://www.sebi.gov.in/legal/circulars/mar-2025/harnessing-digilocker-as-a-digital-public-infrastructure-for-reducing-unclaimed-assets-in-the-indian-securities-market_92769.html)

#### [i] **Inspection of Documents:**

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the

Notice will be available electronically for inspection electronically by the members during evoting period and the AGM.

All shareholders will be able to inspect all documents referred to in the Notice and the explanatory statement thereto electronically without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents may send an email request to [LNTGOGREEN@larsentoubro.com](mailto:LNTGOGREEN@larsentoubro.com)

#### [j] **Transfer of unclaimed dividend and shares to IEPF:**

1. Pursuant to Section 124 of the Companies Act, 2013 the unpaid dividends that are due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Dividend No.	Date of Declaration	For the year ended	Due for Transfer on	Dividend unclaimed as at March 31, 2025 (₹ Crore)
89	23.08.2018	31.03.2018	28.09.2025	15.02
90	01.08.2019	31.03.2019	06.09.2026	15.94
91	18.03.2020	31.03.2020	24.04.2027	14.74
92	13.08.2020	31.03.2020	18.09.2027	6.77
93	28.10.2020	31.03.2021	02.12.2027	13.58
94	05.08.2021	31.03.2021	11.09.2028	12.36
95	04.08.2022	31.03.2022	10.09.2029	14.02
96	25.07.2023	31.03.2024	30.08.2030	3.63
97	09.08.2023	31.03.2023	14.09.2030	14.54
98	04.07.2024	31.03.2024	10.08.2031	27.18

**Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company/its Registrar, for obtaining payments thereof atleast 20 days before they are due for transfer to the said fund.**

2. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has during the financial year 2024-25 transferred to the IEPF Authority, 17,72,523 equity shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to IEPF Authority are available on the website of the Company and the same can be accessed through the link: <https://investors.larsentoubro.com/shareholder-services.aspx>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).



**[k] Investor Queries and Grievance Redressal:**

The Company has designated an exclusive e-mail id viz. [IGRC@Larsentoubro.com](mailto:IGRC@Larsentoubro.com) to enable Investors to register their grievances, if any.

Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Tuesday, June 10, 2025 through email on [IGRC@larsentoubro.com](mailto:IGRC@larsentoubro.com). The same will be replied by the Company suitably.

Members may note that in case of any dispute against the Company and/or its Registrar and Share Transfer Agent, as per SEBI Circular SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated July 31, 2023, members can file for Online Resolution of Dispute which harnesses online conciliation and arbitration for resolution of disputes arising in the Indian Securities Market. Members can use this mechanism only after they have lodged their grievance with the Company and SCORES and are not satisfied with the outcome of the redressal.

For more details, please see the following weblinks of the Stock Exchanges:

BSE: <https://bseclrs.bseindia.com/ecomplaint/frmlInvestorHome.aspx>

NSE: <https://www.nseindia.com/complaints/online-dispute-resolution>

**[l] Instruction for attending the meeting through VC/OAVM:**

Convenience of different persons positioned in different time zones has been kept in mind before scheduling the time for this meeting.

The Company has appointed NSDL, to provide VC facility for conducting the AGM.

Members will be provided with a facility to attend the AGM through VC/OAVM using the NSDL e-voting system. Members may follow the steps mentioned in this Notice for access to NSDL e-voting system. After successful login, you can see the link of VC/OAVM placed under "Join General Meeting" menu against the Company name. You are requested to click on the VC/OAVM link placed under "Join General Meeting" menu.

Please note that the members who do not have the User ID and Password for e-voting or have forgotten their User ID and Password may retrieve the same by following the instructions mentioned in this Notice.

Members can participate in AGM through smart phone/laptop. However, for better experience and smooth participation it is advisable to join the Meeting using Google Chrome, with Laptops connected through broadband. Further Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.

Please note that participants connecting from Mobile Devices or Tablets or through Laptop via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to avoid any disturbances.

Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending a request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to [LNTGOGREEN@larsentoubro.com](mailto:LNTGOGREEN@larsentoubro.com) on or before the Cut-off Date i.e. Tuesday, June 10, 2025. Those Members who have registered themselves as a speaker and receive a confirmation from the Company, will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**[m] E-voting:**

The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standards-2 on General Meetings and Regulation 44 of the Listing Regulations, the Company is pleased to offer the facility of voting through electronic means. The said facility of casting the votes by the members using electronic means (remote e-voting) will be provided by National Securities Depository Limited ("NSDL").

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Tuesday, June 10, 2025, shall be entitled to avail the facility of remote e-voting or e-voting on the day of the AGM. Persons who are not members as on the cut-off date should treat this notice for information purposes only.

The members who have cast their vote through remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote **e-voting period commences on Friday, June 13, 2025 at 9.00 A.M and ends on Monday, June 16, 2025 at 05.00 P.M.** During this period, members holding shares either in physical or dematerialised form, as on the cut-off date of **Tuesday, June 10, 2025** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

#### **Instructions for e-voting during the AGM:**

The e-voting window shall be activated upon instructions of the Chairman during the AGM.

Only those shareholders, who are present in the AGM and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

Member(s), whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, June 10, 2025 are entitled to vote on the resolutions. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a member of the Company after the notice is sent and continues to hold shares as of the cut-off date i.e. Tuesday, June 10, 2025, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or the Company at [IGRC@larsentoubro.com](mailto:IGRC@larsentoubro.com) or follow the steps mentioned in the Notice of the AGM under "Access to NSDL e-voting system". However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call at 022 4886 7000.

Members are requested to follow the instructions given in this notice to cast their votes through e-voting.

The detailed steps on the process and manner for remote e-voting/e-voting at the AGM and to access the VC facility at the AGM are as follows:

#### **Step 1: Access to NSDL e-voting system**

##### **I. Login method for remote e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**


In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies,

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on <b>"Access to e-voting"</b> under e-voting services and you will be able to see e-voting page. Click on company name or <b>e-voting service provider i.e. NSDL</b> and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>



Type of shareholders	Login Method
	<p>4. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or <b>e-voting service provider i.e. NSDL</b> and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</p> 
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also link provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly.</p>

Type of shareholders	Login Method
	<p>3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility. upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911

## II. Login method for e-voting for shareholders other than Individual shareholders holding

### securities in demat mode and shareholders holding securities in physical mode.

1. Visit the e-voting website of NSDL. Open web browser and type the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders / Member" section.
3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company. For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

5. Password details for shareholders other than individual shareholders are given below:
  - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you

need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
  - i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
  - a) Click on **"Forgot User Details / Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Click on **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number / folio number, your PAN, your name and your registered address.
  - d) Members can also use the one-time password (OTP) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, home page of e-voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN 133720" to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
2. In case of any queries relating to e-voting you may refer to the FAQs for shareholders and e-voting user manual for shareholders available at the download section of <https://www.evoting.nsdl.com> or call on 022 4886 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com).
3. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.com](mailto:evoting@nsdl.com) /or call at 022 4886 7000.
4. A Member can opt for only one mode of voting i.e. either through remote e-voting or at the Meeting. If a Member has cast his vote by remote e-voting then he will not be eligible to vote at the Meeting.
5. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net), with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.

### Process for those shareholders whose email IDs are not registered with the Depositories for procuring user ID and password and registration of e mail IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and reverse), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [igrc@larsentoubro.com](mailto:igrc@larsentoubro.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [igrc@larsentoubro.com](mailto:igrc@larsentoubro.com). If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **point I above** i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/ members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and

Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

**The instructions for members for e-voting on the day of the AGM are as under:-**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The contact details for any grievances connected with respect to the facility for e-voting on the day of the AGM shall be the same as mentioned for remote e-voting.

**[n] Live Webcast of the AGM:**

Members will be able to view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> following the steps mentioned above for login to NSDL e-voting system.

After successful login, you can see webcast link placed under Join meeting menu against the Company name. You are requested to click on Webcast link- placed under "Join Meeting" menu.

**[o] Information regarding Scrutinizer and declaration of Voting results:**

The Company has appointed Mrs. Aparna Gadgil, Practicing Company Secretary, (Membership No. A14713, COP No. 8430) or failing her Ms. Malati Kumar (Membership No. A15508, COP No. 10980), to act as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.

The scrutinizer will submit her report to the Chairman after completion of the scrutiny. The result of the voting on the resolutions at the meeting shall be announced by the Chairman or any other person authorized by him immediately after the results are declared.

Based on the report received from the Scrutinizer, the Company will submit within 2 working days to

the stock exchanges details of the voting results as required under Regulation 44(3) of the Listing Regulations.

The results declared alongwith the Scrutinizer's report, will be hosted on the website of the Company [www.larsentoubro.com](http://www.larsentoubro.com) and on the website of NSDL at <https://evoting.nsdl.com> and will be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office immediately after the declaration of the result by the Chairman or any person authorised by him in writing and communicated to the Stock Exchanges.

**EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013, following Explanatory Statement sets out material facts relating to the special business under item(s) 6 to 16 of the accompanying Notice dated May 10, 2025.

**Item No. 6**

**Appointment of Mr. Subramanian Sarma (DIN: 00554221) as Deputy Managing Director & President**

The Shareholders at the 75th Annual General Meeting (AGM) held on August 13, 2020, approved appointment of Mr. Subramanian Sarma (DIN: 00554221) as a Whole-time Director of the Company for a period of five years, with effect from August 19, 2020 upto and including August 18, 2025.

Basis the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on March 21, 2025, appointed Mr. Subramanian Sarma (DIN: 00554221), as the Deputy Managing Director & President of the Company with effect from April 2, 2025 upto and including February 3, 2028, subject to the approval of the members in the Annual General Meeting.

Mr. Sarma heads the Hydrocarbon Onshore & Offshore, CarbonLite Solutions, Green & Clean Energy, Asset Management & Offshore Wind Businesses of L&T.

A graduate in Chemical Engineering, Mr. Sarma completed his master's from IIT Mumbai. A seasoned professional with over 40 years of experience, with 30 years being in the Middle East. During his extensive career span, Mr. Sarma has handled complete Oil & Gas value chain including Executive Management, Business Development, Project Management and Process Engineering.

He is the recipient of the Distinguished Alumnus Award 2021 from IIT Bombay for his contribution as a Business Leader in Corporate World. He is also the recipient of the CHEMTECH CEW, Business Leader of the Year 2017.

Immediately prior to joining L&T, Mr. Sarma served as Managing Director of Petrofac - Onshore Engineering &

Construction, with complete responsibility for all of the Company's onshore projects worldwide.

Initially, Mr. Sarma joined the Board of the Company as a Non-Executive Director and was the Chief Executive Officer and Managing Director of erstwhile L&T Hydrocarbon Engineering Limited (since merged with the Company) effective August 19, 2015.

Under Mr. Sarma's leadership, L&T's Energy portfolio has emerged as one of the leading EPC Contractor globally, by achieving record financial results and being ranked among the top 3 EPC contractors in the Oil & Gas Sector (Middle East) for four consecutive years. He has been instrumental in transforming the Hydrocarbon and Energy business, driving innovation, operational excellence and global competitiveness. Considering his expertise and leadership and to leverage the same for Company's performance, the Board approved the appointment of Mr. Sarma as the Deputy Managing Director & President of the Company. He has been a member of the Executive Committee of L&T since 2015.

Mr. Sarma is on the Boards of L&T Electrolysers Limited, L&T Valves Limited and L&T Energy Green Tech Limited.

At the Annual General Meeting held on August 26, 2016, the shareholders had fixed the maximum limits within which the Board was authorised to decide the remuneration of the Deputy Managing Director & President of the Company. Pursuant to this, the Board has fixed the remuneration payable to Mr. Subramanian Sarma as the Deputy Managing Director & President.

The Company would enter into an agreement with Mr. Subramanian Sarma covering the following terms of remuneration:

**Salary:** ₹ 20,00,000 (Rupees Twenty Lakh only) per month in the scale of ₹ 16,25,000 - ₹ 1,25,000 - ₹ 22,50,000 with the annual increment due on April 1 every year.

**Commission:** The commission will be paid as per the parameters fixed by the Nomination & Remuneration Committee and the Board of Directors within the overall limits approved by the Shareholders of the Company.

**Perquisites:** ₹ 18 lakh per annum excluding free furnished accommodation or house rent in lieu thereof. The above perquisites will exclude value of stock option benefits, if any, computed as per Income Tax Act/Rules, tax on which will be borne by the Company.

**Others:** Company's contribution to retirement funds, official use of car / driver and communication facilities for Company's business, as per rules of the Company.

Disclosures as required under Secretarial Standard-2 on General Meetings are provided as an Annexure to this Notice.

The Companies Act, 2013 and Secretarial Standard – 2 on General Meetings requires that the appointment and remuneration of Managing Directors and Whole-time Directors shall be subject to approval of the shareholders in a General Meeting. Accordingly, the resolution at Item No. 6 in relation to appointment of Mr. Subramanian Sarma, as the Deputy Managing Director & President is proposed for approval of members by means of an ordinary resolution.

The agreement to be entered into with Mr. Sarma, will be open for inspection by members in the manner as specified in the Notice up to the date of the Annual General Meeting.

The Board recommends the appointment and the terms of appointment thereof of Mr. Sarma as Deputy Managing Director & President of the Company for approval of the shareholders.

Except Mr. Sarma and his relatives, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

#### Item No. 7

#### Re-appointment of Mr. S. V. Desai (DIN: 07648203) as Whole-time Director

The shareholders at the 75<sup>th</sup> Annual General Meeting (AGM) held on August 13, 2020, approved the appointment of Mr. S. V. Desai (DIN: 07648203) as a Whole-time Director of the Company for a period of five years, with effect from July 11, 2020 upto and including July 10, 2025.

Basis the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on March 21, 2025, re-appointed Mr. S. V. Desai, as a Whole-time Director of the Company with effect from July 11, 2025 upto and including July 4, 2030, subject to the approval of the members in the Annual General Meeting.

Mr. S.V. Desai, a second rank holder in Civil Engineering from Gulbarga University, Karnataka in 1984 and a Post-Graduate [M Tech] from IIT Madras in 1986, started his career with National Buildings Construction Corporation Limited [NBCC] as a management trainee.

He was involved in Light Combat Aircraft [LCA], HAL and then four years at Male' Rep. of Maldives for an Hospital project, funded by Govt. of India on deputation to Ministry of External Affairs. Then he was selected and rostered in Common Wealth Secretariat, London (UK) and UN Centre for Human Settlements (HABITAT), Nairobi, Kenya.

Mr. Desai began his career in L&T in 1997 as a Construction Manager. During initial period of his career, he developed



expertise in Tendering & Contracts management and then became the Head of Tender & Contracts of Buildings and Factories (B&F) IC for domestic and international projects. He made remarkable contribution, as Head of Procurement & Contracts, in our prestigious Delhi International Airport Project, handling various National & International stakeholders.

Subsequently in 2012, from B&F-IC, he was moved to Heavy Civil Infrastructure (HCI) IC and was responsible for Metros & Defence businesses, and then took-over as the Head of Heavy Civil Infrastructure IC in October 2015. In HCI IC, he has been handling many JVs, international partners, Corporates, Government Departments and a wide variety of jobs in the field of Elevated and Underground Metros, Bridges, Tunnel, Hydro, Nuclear, Ports & Harbours and Defence infrastructure.

Mr. Desai is known for his expertise in the areas of Bid-estimation, negotiation and finalization of Mega Projects. In Heavy Civil, he was instrumental in bagging landmark infrastructure projects like Riyadh Metro, Qatar Metro, mega Defence infrastructure project. He has been a member of the Executive Committee of L&T since 2020.

Mr. Desai is on the Boards of L&T Himachal Hydropower Ltd., L&T Geostucture Private Limited and International Seaport Dredging Pvt Ltd. He is also the member of the Supervisory Board of Riyadh & Doha metro project consortiums.

Considering his expertise and leadership, the Board, approved re-appointment of Mr. Desai as a Whole-time Director of the Company.

At the Annual General Meeting held on August 26, 2016, the shareholders had fixed the maximum limits within which the Board was authorised to decide the remuneration of Whole-time Directors of the Company. Pursuant to this, the Board has fixed the remuneration payable to Mr. S. V. Desai as a Whole-time Director.

The Company would enter into an agreement with Mr. Desai covering the following terms of remuneration:

**Salary:** ₹ 12,25,000 (Rupees Twelve Lakh Twenty Five Thousand only) per month in the scale of ₹ 10,25,000 - ₹ 1,00,000 – ₹ 17,25,000 with the annual increment due on April 1 every year.

**Commission:** The commission will be paid as per the parameters fixed by the Nomination & Remuneration Committee and the Board of Directors within the overall limits approved by the shareholders of the Company.

**Perquisites:** ₹ 12 lakh per annum excluding free furnished accommodation or house rent in lieu thereof. The above perquisites will exclude value of stock option benefits, if

any, computed as per Income Tax Act/Rules, tax on which will be borne by the Company.

**Others:** Company's contribution to retirement funds, official use of car / driver and communication facilities for Company's business, as per rules of the Company.

Disclosures as required under Secretarial Standard-2 on General Meetings are provided as an Annexure to this Notice.

The Companies Act, 2013 and Secretarial Standard – 2 on General Meetings provides that the re-appointment and remuneration of Whole-time Directors shall be subject to approval of the shareholders in a General Meeting. Accordingly, the resolution at Item No. 7 in relation to appointment of Mr. Desai, as a Whole-time Director is proposed for approval of members by means of an ordinary resolution.

The agreement to be entered into with Mr. Desai will be open for inspection by members in the manner as specified in the Notice up to the date of the Annual General Meeting.

The Board recommends the re-appointment and the terms of appointment thereof of Mr. Desai as a Whole-time Director of the Company for approval of the shareholders.

Except Mr. S. V. Desai and his relatives, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

#### **Item No. 8**

##### **Re-appointment of Mr. T. Madhava Das (DIN: 08586766) as Whole-time Director**

The shareholders at the 75<sup>th</sup> Annual General Meeting (AGM) held on August 13, 2020, approved the appointment of Mr. T. Madhava Das (DIN: 08586766) as a Whole-time Director of the Company for a period of five years, with effect from July 11, 2020 upto and including July 10, 2025.

Basis the recommendations of the Nomination & Remuneration Committee, the Board of the Company at its Meeting held on March 21, 2025, re-appointed Mr. T. Madhava Das, as a Whole-time Director of the Company for a term of 5 years with effect from July 11, 2025 upto and including July 10, 2030, subject to the approval of the members in the Annual General Meeting.

Mr. T. Madhava Das, a graduate in Electrical Engineering from Regional Engineering College (now NIT), Calicut, joined L&T in 1985 as a Graduate Engineering Trainee (GET). He later completed his Post Graduation from Xavier Institute of Management, Bhubaneswar.

During his career, he held various key positions in Electrical business of ECC such as Regional Projects Manager (Hyderabad Region), Sector Projects Manager (UAE) and Chief - Business Initiatives & Contracts (Transmission Lines).

He was instrumental in expanding tower manufacturing capacity by setting up a new plant in Pithampur and in modernizing other manufacturing units. Subsequently, he headed Transmission Line Business in domestic and later moved to GCC as Head of International Cluster-I.

Mr. Madhava Das was elevated to the position of Head - Power Transmission & Distribution (PT&D) IC in 2014. Under his leadership, the domestic Transmission Line EPC, Tower Manufacturing, Tower Testing Services and the PT&D business in UAE, Saudi Arabia, Oman and Kuwait have grown significantly, besides moving to new geographies in ASEAN and Africa.

He has also successfully incubated Solar Business and steered it to grow to the current level, besides adding microgrid and energy storage capabilities, making it one of the largest Solar EPCs in the country.

He has been a member of the Executive Committee of L&T since 2017. He is on the Boards of Larsen & Toubro (Oman) LLC, PT. Larsen & Toubro and Larsen & Toubro Saudi Arabia LLC. He is currently the Co-Chairman of Confederation of Indian Industry (CII)'s Transmission Line Committee.

Considering his expertise and leadership, the Board of Directors, approved re-appointment of Mr. Madhava Das as a Whole-time Director of the Company.

At the Annual General Meeting held on August 26, 2016 the shareholders had fixed the maximum limits within which the Board was authorised to decide the remuneration of Whole-time Directors of the Company. Pursuant to this, the Board has fixed the remuneration payable to Mr. Madhava Das during his tenure as a Whole-time Director.

The Company would enter into an agreement with Mr. Madhava Das on the following terms of remuneration:

**Salary :** ₹ 12,25,000 (Rupees Twelve Lakh Twenty Five Thousand only) per month in the scale of ₹ 10,25,000 - ₹ 1,00,000 – ₹ 17,25,000 with the annual increment due on April 1 every year.

**Commission :** The commission will be paid as per the parameters fixed by the Nomination & Remuneration Committee and the Board of Directors within the overall limits approved by the shareholders of the Company.

**Perquisites :** ₹ 12 lakh per annum excluding free furnished accommodation or house rent in lieu thereof. The above perquisites will exclude value of Stock Option benefits, if any, computed as per Income Tax Act/Rules, tax on which will be borne by the Company.

**Others :** Company's contribution to retirement funds, official use of car / driver and communication facilities for Company's business, as per rules of the Company.

Disclosures as required under Secretarial Standard-2 on General Meetings are provided as an Annexure to this Notice.

The Companies Act, 2013 and Secretarial Standard – 2 on General Meetings provides that the re-appointment and remuneration of Managing Directors and Whole-time Directors shall be subject to approval of the shareholders in a General Meeting. Accordingly, the Resolution at Item No. 8 in relation to re-appointment of Mr. T. Madhava Das, as a Whole-time Director is proposed for approval of members by means of an ordinary resolution.

The agreement to be entered into with Mr. Madhava Das Das will be open for inspection by members in the manner as specified in the Notice up to the date of the Annual General Meeting.

The Board recommends the re-appointment and the terms of appointment thereof of Mr. Das as Whole-time Director of the Company for approval of the shareholders.

Except Mr. T. Madhava Das, being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

## Item No. 9

### Appointment of M/s. S. N. ANANTHASUBRAMANIAN & Co. as Secretarial Auditors and fix their remuneration.

Pursuant to provisions of Section 204 of the Companies Act, 2013, and relevant rules thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), every listed company is required to annex with its Board's Report, a secretarial audit report, issued by a Practising Company Secretary.

Pursuant to the Listing Regulations, shareholders' approval is required for appointment of Secretarial Auditors. Further, such Secretarial Auditor must be a peer reviewed Company Secretary from Institute of Company Secretaries of India (ICSI) and should not have incurred any of the disqualifications as specified by SEBI.

In light of the aforesaid, the Board of Directors of the Company, pursuant to the recommendations of the Audit Committee, and after considering the experience, market standing, efficiency of the audit teams and independence, has recommended the appointment of M/s. S.N. ANANTHASUBRAMANIAN & Co. (SNACO), a firm of Practising Company Secretaries, as the Secretarial Auditors



of the Company for a term of five consecutive financial years commencing from April 1, 2025 till March 31, 2030.

SNACO is a reputed firm of Company Secretaries based in Thane, with over three decades of experience in corporate compliance and governance. The firm has conducted Secretarial Audits for leading listed and unlisted entities across sectors, adopting a principle-based and risk-oriented approach. Known for its thoroughness, regulatory acumen, and professional integrity, SNACO remains a trusted name in Secretarial Audit and corporate law compliance.

The fee proposed to be paid to SNACO for the secretarial audit for the financial year ending March 31, 2026 and March 31, 2027, is ₹ 5,00,000/- (Rupees Five Lakh only) plus applicable taxes and out of pocket expenses. The proposed fee is exclusive of costs for other permitted services which could be availed by the Company from SNACO. The fees for remaining tenure would be fixed by the Board of Directors or any committees thereof of the Company, from time to time.

SNACO has given its consent to act as the Secretarial Auditors, confirmed that they hold a valid peer review certificate issued by ICSI and that they are not disqualified from being appointed as Secretarial Auditors.

Accordingly, the approval of the members is sought for the above appointment by means of an ordinary resolution. The Board recommends the aforesaid appointment for approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item 9 of the Notice.

#### **Item Nos. 10 to 15**

##### **Material Related Party Transactions**

Pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), material related party transactions requires approval of the shareholders through ordinary resolution.

As per the Listing Regulations, a Related Party Transaction is considered 'material' if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. Considering that 10% of consolidated turnover of the Company as on March 31, 2025 is ₹ 25,573.45 crore, the materiality threshold for seeking shareholders' approval is ₹ 1,000 crore.

##### **Material related party transactions with Larsen Toubro Arabia LLC (LTA):**

LTA was incorporated to bid and execute projects in the Kingdom of Saudi Arabia (KSA). The Company holds 75% stake in LTA with the remaining 25% being held by a local partner.

LTA has bid for certain large value contracts for engineering, procurement, construction and installation for various new offshore facilities and integration with existing installations in KSA. Generally, issuance of PCGs for execution of the awarded projects is a pre-condition. The value of these PCGs is equivalent to the full value of the In Kingdom (IK) portion of the contract. Such PCGs are to be issued upfront and would remain valid till completion of all obligations under the contract.

Considering the increasing localization requirements in the Middle East, it has become imperative for the Company to bid for projects through its local subsidiaries. The Company has in the past provided similar PCGs in favour of various subsidiaries operating in the Middle East. The proposal requires prior approval of the shareholders under the Listing Regulations.

Based on the expected probability of winning the bid, the Company will be required to provide PCGs of value upto ₹ 12,600 crore, in favour of LTA, from time to time, as per the requirements of the customers with respect to the projects.

Further, the Company also proposes to enter into a transaction for the supply of fabricator materials to LTA.

Additionally, the Company would also receive guarantee income from LTA in relation to the Parent Company Guarantee (PCG) provided to LTA in previous years.

Accordingly, an approval of the shareholders is sought for issuance of PCGs on behalf of LTA upto ₹ 12,600 crore.

The shareholders through a resolution passed in the previous AGM held on July 4, 2024, approved issuance of PCGs on behalf of LTA upto an amount not exceeding ₹ 12,500 crore. The said approval is valid till the date of the ensuing Annual General Meeting.

The Company is seeking renewal of approval at this AGM to ensure continuity of business. This will enable LTA to procure EPC contracts and benefit the group as a whole.

##### **Material related party transactions with L&T Metro Rail (Hyderabad) Limited (LTMRHL):**

LTMRHL is a subsidiary of the Company formed for the development of Hyderabad Metro Rail Project. The Project spans 69.20 Km across three elevated corridors in Hyderabad City. The Project has been developed on DBFOT (Design, Build, Finance, Operate and Transfer) basis under a Public Private Partnership model.

LTMRL has raised debt in the form of Non-Convertible Debentures and Commercial Papers to finance its project cost. LTMRL is contemplating setting up bank borrowing limits in case the market conditions are not favourable for borrowings through Non-Convertible Debentures and Commercial Papers. These borrowings would be utilized to pay off the existing Non-Convertible Debentures and Commercial Papers as per the respective maturities. In case of borrowings from the Bank, the Company will be required to issue Parent Company Guarantee(s) to LTMRL.

Additionally, LTMRL has availed facilities from banks. In the eventuality LTMRL is unable to immediately meet its obligations under the terms of agreement with the banks, the Company will be required to provide funding support by way of an Inter Corporate Deposit (ICD) to LTMRL.

Further, the Company also proposes to avail/render services from/to LTMRL and also lease property (office premises) to/from LTMRL in the ordinary course of business.

Accordingly, approval of the shareholders is sought for issuance of PCGs on behalf of LTMRL and for the above transactions with LTMRL, in the ordinary course of business, for an amount not exceeding ₹ 11,000 crore.

The shareholders through a resolution passed in the previous AGM held on July 4, 2024, approved a proposal for entering into material related party transactions upto an amount not exceeding ₹ 4,800 crore with LTMRL. The Company is seeking renewal of approval as well as approval for certain additional transactions at this AGM to ensure continuity of business.

#### **Material related party transactions with subsidiaries.**

Given the nature and scope of the business, the Company works closely with its related parties (including subsidiaries) to achieve its business objectives and enters into various operational transactions with its related parties, from time to time, in the ordinary course of business and on arm's length.

Amongst the transactions that Company enters into with its related parties, the estimated value of the contracts/arrangements/transactions with L&T Technology Services Limited, L&T Modular Fabrication Yard LLC and L&T Mindtree Limited ("Related Parties"), are likely to exceed the threshold of material Related Party Transactions.

The Company has been undertaking transactions of similar nature in the past in the ordinary course of business and on arm's length after obtaining requisite approvals of the Audit Committee of the Company. The maximum annual value of the proposed transactions with the aforesaid related parties is estimated on the basis of the Company's current transactions with them and the future business prospects.

The proposed transactions, being operational and critical in nature, play a significant role in the Company's business. Therefore, in order to secure continuity of operations, the Company is proposing to seek approval of shareholders for the potential transactions with the aforesaid related parties.

The shareholders of the Company at the previous AGM held on July 4, 2024, had approved a similar proposal for entering/continuing to enter into material related party transactions with these Related Parties except L&T Technology Services Limited, which is valid till this AGM.

The Company is seeking fresh/renewal of approval at this AGM to ensure continuity of business.

#### **Material related party transactions with Apollo Hospitals Enterprise Limited (AHEL).**

The Buildings & Factories (B&F) IC of the Company has been awarded various projects by AHEL involving the construction of hospitals at multiple locations across India. The B&F IC caters to the specialized needs of AHEL, and the execution of these projects will contribute to the Company's revenue while optimizing the utilization of business resources already created to serve customers, including AHEL. This, in turn, will contribute to enhanced shareholder value creation. The contracts for these projects are awarded at arm's length and are within the ordinary course of the Company's business. AHEL is a related party as Ms. Preetha Reddy, Independent Director, is Executive Vice-Chairperson of AHEL and holds more than 2% stake in AHEL along with her relatives.

Accordingly, the consent of the Shareholders is sought for the above transaction with AHEL, for an amount not exceeding ₹ 2,400 crore.

#### **Company's RPT Framework:**

The Company has in place a balanced and structured policy and process for approval of Related Party Transactions (RPT) which is reviewed periodically. The Policy provides the details required to be provided to the Audit Committee for the purpose of review and approval for the proposed transactions. A justification for each related party transaction is provided to the Audit Committee. Additionally, an update on the actual related party transactions entered during every quarter is provided to the Audit Committee.

Any subsequent material modification in the proposed transactions, as may be defined by the Audit Committee as a part of Company's Policy on Related Party Transactions, is placed before the shareholders for approval, in terms of Regulation 23(4) of the Listing Regulations.

The Audit Committee of the Company comprises Independent Directors which helps in providing an objective judgement to all transactions proposed for approval.

SEBI vide its circular dated April 8, 2022 has clarified that a related party transaction approved by the shareholders shall be valid from one AGM till the next AGM of the Company or for a period of fifteen months, whichever is earlier.

The Directors recommend the resolutions set out in Item Nos. 10 to 15 for approval of the shareholders by means of ordinary resolutions.

Ms. Preetha Reddy may be deemed to be interested in the resolution No.15 regarding the approval of material related party transactions with AHIL. Subject to the foregoing, none of the Directors and Key Managerial Personnel (KMP) of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at item Nos. 10 to 15, except to the extent of their shareholding in the Company/subsidiary and directorship in the respective subsidiaries.

The members may note that as per the provisions of the Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transactions or not), shall not vote to approve the resolutions set out at item Nos. 10 to 15.

The details required to be placed before the members pursuant to the Listing Regulations are annexed to this Notice.

#### **Item No. 16**

#### **Ratification of remuneration payable to Cost Auditors for FY 2025-26.**

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ("the Rules") the

Company is required to appoint a cost auditor to audit the cost records of the Company, for products and services, specified under Rules issued in pursuance to the above section. On the recommendation of the Audit Committee, the Board of Directors had approved the appointment of M/s. R. Nanabhoy & Co., Cost Accountants (Regn. No. 000010), as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2025-26, at a remuneration of ₹ 19 lakhs plus applicable taxes and out of pocket expenses at actuals for travelling and boarding/lodging.

M/s. R. Nanabhoy & Co., Cost Accountants, have furnished certificates regarding their eligibility for appointment as Cost Auditors of the Company. In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the cost auditor has to be ratified by the shareholders of the Company.

Accordingly, approval of the members is sought for the aforesaid purpose.

The Board recommends this resolution for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 16, except to the extent of their shareholding in the Company.

By Order of the Board  
For **LARSEN & TOUBRO LIMITED**

**SUBRAMANIAN NARAYAN**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER**  
**M.NO – A16354**

**Mumbai, May 10, 2025**

**ADDITIONAL DETAILS FOR RELATED PARTY TRANSACTIONS PURSUANT TO LISTING REGULATIONS**

Sr. No.	Particulars	Resolution No. 10	Resolution No. 11	Resolution No. 12								
1	<b>Name of the related party, its relationship with the Company including nature of concern or interest</b>	Larsen Toubro Arabia LLC (LTA) – subsidiary company (75% stake held by the Company)	L&T Metro Rail (Hyderabad) Limited (LTMRHL) - subsidiary company (99.99% stake held by the Company)	L&T Technology Services Limited (LTTS) – subsidiary company (73.66% stake held by the Company)								
2	<b>Name of Director(s) or Key Managerial Personnel who is related, if any</b>	None	Mr. S. N. Subrahmanyam, Chairman & Managing Director of the Company is Non-Executive Chairman of LTMRHL and Mr. R Shankar Raman, President, Whole-time Director & CFO of the Company, is Non-Executive Director of LTMRHL.	Mr. S. N. Subrahmanyam, Chairman & Managing Director of the Company is Non-Executive Chairman of LTTS.  Mr. Narayanan Kumar, Independent Director of the Company is an Independent Director of LTTS.								
3	<b>Type of proposed transaction and amount</b>	<div>a) Providing Parent Company Guarantee or Letter of Comfort or Undertaking.*</div> <div>b) Sale, purchase, lease or supply of goods, business assets or property or equipment in relation to the projects.</div> <div>c) Availing or rendering of services inter-alia covering IT and ITES, Engineering services, lease of facilities, trademark fees and other infrastructure support.</div> <div>d) Transfer or exchange of any resources, services or obligations to meet its business objectives/ requirements.</div> <div>* Only for LTA and LTMRHL</div> <div>The approval will be valid from this AGM till the next AGM or for a period of fifteen months, whichever is earlier in accordance with the terms and conditions of the contract/agreement for the below mentioned amounts</div> <table><thead><tr><th>Name of the Company</th><th>LTA</th><th>LTMRHL</th><th>LTTS</th></tr></thead><tbody><tr><td>Amount for which shareholders’ approval is sought (₹ crore)</td><td>12,600</td><td>11,000</td><td>3,000</td></tr></tbody></table>			Name of the Company	LTA	LTMRHL	LTTS	Amount for which shareholders’ approval is sought (₹ crore)	12,600	11,000	3,000
Name of the Company	LTA	LTMRHL	LTTS									
Amount for which shareholders’ approval is sought (₹ crore)	12,600	11,000	3,000									
4	<b>Material terms and particulars of proposed transaction</b>	<b>Parent Company Guarantee</b>  The PCG to be issued by the Company on behalf of LTA serves as a guarantee for performance of Engineering, Procurement, and Construction (EPC) contracts to be entered into by the Company. The PCG will remain valid until the fulfilment of all obligations under the relevant EPC contract, which is normally anticipated to be completed within a period of 2 to 4 years from the date of issuance.  <b>Other Transactions</b>  The Hydrocarbon-Offshore business proposes to enter into a transaction for the supply of fabricator materials to LTA.  Additionally, the Company will receive guarantee income from LTA in relation to the Parent Company Guarantee (PCG) provided to LTA in the previous years.	<b>Parent Company Guarantee</b>  The PCG will be provided on behalf of LTMRHL to serve as a financial guarantee for securing the bank borrowings to be availed by it.  The PCG will remain valid until the maturity of the borrowings secured under this guarantee.  <b>Other Transactions</b>  The Company will receive guarantee income from LTMRHL in respect of the guarantee provided to them. In addition, the Company shall also avail service from LTMRHL in relation to lease of facilities for its operations.	L&T Technology Services Limited (LTTS) operates from common campus(es) across the country, and the associated expenses are apportioned by the Company to LTTS.  The multi-year contracts will primarily involve services related to installation, testing, commissioning, and maintenance works for various projects being executed by different business units of L&T, both in India and overseas as well as giving office premises on lease.  Furthermore, the Company will charge trademark fees to LTTS in accordance with the agreement between the Company and LTTS.								
5	<b>Value of the proposed transaction</b>	The monetary value of the transactions mentioned at point (3) above is estimated as below <ul style="list-style-type: none"><li>PCG - not exceeding ₹ 12,500 crore.</li><li>Other Transactions – ₹ 100 crore.</li></ul>	The monetary value of the transactions mentioned at point (3) above is estimated as below <ul style="list-style-type: none"><li>PCG - not exceeding ₹ 10,900 crore.</li><li>Other Transactions – ₹ 100 crore.</li></ul>	The monetary value of the transactions mentioned at point (3) above is estimated as ₹ 3,000 crore.								

Sr. No.	Particulars	Resolution No. 10	Resolution No. 11	Resolution No. 12
6	<b>Justification as to why the RPT is in the interest of the listed entity</b>	<p>As in previous years, the issuance of PCG on behalf of LTA would be an obligation under the terms of the relevant contract. This will further enable LTA's ability to procure contracts, thereby aligning the transaction with the best interests of the Company.</p> <p>Given that the proposal pertains to providing a Parent Company Guarantee on behalf of LTA, the question of valuation is not applicable.</p> <p>The Company will charge a fee based on a rate that is consistent with the median of the bank guarantee rates, as approved by the Audit Committee for the financial year in which the PCG is issued. Currently, this rate stands at 0.30% per annum for performance guarantees. The Company will receive this fee as a guarantee income.</p> <p>This transaction is in the ordinary course of business, as the Company and is consistent with the past practices for its overseas operations.</p>	<p>The issuance of the PCG is a critical component in enabling bank borrowings for LTMRHL. This will allow the subsidiary to effectively manage and operate its activities, ultimately benefiting the group.</p> <p>The Company will charge a fee that is consistent with the median of the bank guarantee rates, as approved by the Audit Committee for the relevant financial year in which the PCG is issued. Currently, this rate is set at 0.35% per annum for financial guarantees.</p> <p>This transaction is in the ordinary course of business, and is consistent with the past practices.</p> <p>The Company being a diverse conglomerate provides its administrative support service to other identified group companies. Such transactions bring mutual benefits and synergies to the entire group, which would ultimately prosper companies' growth in the identified segment. The Company provides administrative support services to LTMRHL and charges fee based on the rates as a percentage of sales.</p>	<p>LTTS possesses deep industrial domain expertise and specialized skills in niche and complex technology stacks. LTTS enables companies to accelerate their market entry through cutting-edge solutions in software-defined, electric, autonomous, and connected mobility, leveraging innovation and engineering capabilities. LTTS is also an authorized supplier for various software and solution providers, benefiting from bulk purchases and providing service support for such software solutions. The Company is able to leverage these benefits for its own business operations.</p> <p>The Company will be charged a price that is comparable to the pricing extended to other customers of LTTS.</p> <p>Regarding the leasing of office space to LTTS, the Company benefits from timely and assured payments, while LTTS is assured of superior construction quality and high-quality services.</p> <p>The rental charges to LTTS will be aligned with market rates in the respective area.</p>
7	<b>Percentage of the Company's consolidated turnover</b>	4.93% of the Company's consolidated annual turnover for FY 2024-25.	4.30% of the Company's consolidated annual turnover for FY 2024-25.	1.17% of the Company's consolidated annual turnover for FY 2024-25.
8	<b>A copy of the valuation or other external party report, if any such report has been relied upon</b>	Not Applicable	Not Applicable	Not Applicable
9	<b>Any other information relevant</b>	As the exact value of the contract(s) cannot be predicted at this stage, an enabling approval from the shareholders is being sought to proceed with these potential arrangements.		

**ADDITIONAL DETAILS FOR RELATED PARTY TRANSACTIONS PURSUANT TO LISTING REGULATIONS**

Sr. No.	Particulars	Resolution No. 13	Resolution No. 14	Resolution No. 15								
1	<b>Name of the related party, its relationship with the Company including nature of concern or interest</b>	L&T Modular Fabrication Yard LLC (LTMFY) – subsidiary (70% stake held by the Company)	LTIMindtree Limited (LTIM) – Subsidiary (68.57% stake held by the Company)	Apollo Hospitals Enterprise Limited (AHEL) – Dr. Preetha Reddy, Independent Director of the Company is the Executive Vice-Chairperson of AHEL and holds more than 2% stake in AHEL along with other relatives.								
2	<b>Name of Director(s) or Key Managerial Personnel who is related, if any</b>	None	Mr. S. N. Subrahmanyam, Chairman & Managing Director of the Company is Non-Executive Chairman in LTIM. Mr. R. Shankar Raman, President, Whole-time Director & CFO of the Company is Non-Executive Director of LTIM. Mr. Sanjeev Aga, Independent Director of the Company is also Independent Director in LTIM.	Dr. Preetha Reddy, Independent Director of the Company is the Executive Vice-Chairperson of AHEL.								
3	<b>Type of proposed transaction and amount</b>	<p>a) Sale, purchase, lease or supply of goods, business assets or property or equipment in relation to the projects.</p> <p>b) Availing or rendering of services inter-alia covering IT and ITES, Engineering services, lease of facilities, trademark fees and other infrastructure support.</p> <p>c) Transfer or exchange of any resources, services or obligations to meet its business objectives/ requirements.</p> <p>The approval will be valid from this AGM till the next AGM or for a period of fifteen months, whichever is earlier in accordance with the terms and conditions of the contract/agreement for the below mentioned amounts</p> <table><tr><th>Name of the Company</th><th>LTMFY</th><th>LTIM</th><th>AHEL</th></tr><tr><td>Amount for which shareholders’ approval is sought (₹ crore)</td><td>5,500</td><td>1,500</td><td>2,400</td></tr></table>			Name of the Company	LTMFY	LTIM	AHEL	Amount for which shareholders’ approval is sought (₹ crore)	5,500	1,500	2,400
Name of the Company	LTMFY	LTIM	AHEL									
Amount for which shareholders’ approval is sought (₹ crore)	5,500	1,500	2,400									
4	<b>Material terms and particulars of proposed transaction</b>	<p>Hydrocarbon-offshore business proposes to enter into transaction for rendering supply of fabrication material and related services to LTMFY.</p>	<p>The multi-year contracts will primarily involve the provision of services related to the supply of various software and support services for projects being executed by different business units of L&amp;T, both in India and overseas.</p> <p>Additionally, the Company will undertake the construction of commercial buildings and IT facilities for LTIM. LTIM also operates from common campus(es) across the country, with the associated expenses being apportioned by the Company to LTIM.</p> <p>Furthermore, the Company will charge trademark fees to LTIM in accordance with the agreement between the Company and LTIM.</p>	<p>The Buildings &amp; Factories (B&amp;F) IC proposes to enter into contracts for the construction of hospital buildings at various locations across India for AHEL.</p> <p>The duration of these contracts will range from 1.5 years to 3 years, depending on the specific project requirements.</p> <p>The Company shall also be availing health &amp; medical services from AHEL at various locations across India.</p>								
5	<b>Value of the proposed transaction</b>	The monetary value of the transactions mentioned at point (3) above is estimated ₹ 5,500 crore.	The monetary value of the transactions mentioned at point (3) above is estimated ₹ 1,500 crore.	The monetary value of the transactions mentioned at point (3) above is estimated ₹ 2,400 crore.								



Sr. No.	Particulars	Resolution No. 13	Resolution No. 14	Resolution No. 15
6	<b>Justification as to why the RPT is in the interest of the listed entity</b>	<p>The Energy Hydrocarbon Business requires Customized Fabrication Services for EPC Contracts.</p> <p>The Energy &amp; Hydrocarbon business of the Company bids for various Engineering, Procurement, and Construction (EPC) contracts, where customized fabrication activities play a crucial role in the execution of such contracts. These fabrication activities are typically carried out through LTMFY, which possesses the necessary technical expertise, facilities, and execution capabilities.</p> <p>Most EPC projects require the use of customized fabricated structures as per the specific contract specifications. For projects within India, the Company utilizes its own fabrication facilities. For overseas projects, the Company generally leverages external fabrication facilities to optimize logistics costs.</p> <p>Availing fabrication services is considered a routine activity in the ordinary course of business. The Company solicits quotations from multiple parties for its fabrication needs, and the final contract is awarded based on factors such as price, quality, and timelines. LTMFY also provides quotations for these contracts and is selected only if its offer is competitive.</p>	<p>LTIM is an authorized supplier for various software products, benefiting from bulk purchase advantages. Additionally, LTIM provides service support for these software solutions, and the Company is able to leverage these benefits to enhance its own business operations.</p> <p>In relation to the construction of commercial buildings and IT facilities for LTIM, the Company stands to gain from increased business opportunities and assured, timely payments. In return, LTIM will benefit from the timely completion of the projects and superior quality of construction.</p> <p>The contracts for these projects are awarded at arm's length and are within the ordinary course of the Company's business.</p>	<p>The Buildings &amp; Factories (B&amp;F) IC of the Company has been awarded various projects by AHIL involving the construction of hospitals at multiple locations across India. The B&amp;F IC caters to the specialized needs of AHIL, and the execution of these projects will broaden the Company's revenue base while optimizing the utilization of business resources already created to serve customers, including AHIL. This, in turn, will contribute to enhanced shareholder value creation.</p> <p>The contracts for these projects are awarded at arm's length and are within the ordinary course of the Company's business.</p>
7	<b>Percentage of the Company's consolidated turnover</b>	2.15% of the Company's consolidated annual turnover for FY 2024-25.	0.59% of the Company's consolidated annual turnover for FY 2024-25.	0.94% of the Company's consolidated annual turnover for FY 2024-25.
8	<b>A copy of the valuation or other external party report, if any, such report has been relied upon</b>	Not Applicable	Not Applicable	Not Applicable
9	<b>Any other information relevant</b>	As the exact value of the contract(s) cannot be predicted at this stage, an enabling approval from the shareholders is being sought to proceed with these potential arrangements.		



**(ANNEXURE TO NOTICE DATED MAY 10, 2025)****DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING  
ANNUAL GENERAL MEETING****[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and  
Secretarial Standard-2 on General Meetings]**

<b>Name of the Director</b>	<b>Mr. Subramanian Sarma</b>	<b>Mr. S. V. Desai</b>	<b>Mr. T. Madhava Das</b>
<b>Date of Birth</b>	February 4, 1958	July 5, 1960	January 25, 1963
<b>Date of Appointment on the Board</b>	August 19, 2015	July 11, 2020	July 11, 2020
<b>Qualifications</b>	Masters in Chemical Engineering	Masters in Civil Engineering	Bachelors in Engineering Masters in Management
<b>Expertise / Skills</b>	Leadership   Industry Knowledge and Experience   Governance and Compliance  Global Experience   Industry Advocacy	Leadership   Industry Knowledge and Experience   Governance and Compliance  Global Experience	Leadership   Industry Knowledge and Experience   Governance and Compliance  Global Experience
<b>Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign companies)</b>	1. L&T Valves Limited 2. L&T Energy Green tech Limited 3. L&T Electrolysers Limited	1. L&T Himachal Hydropower Limited 2. L&T Geostructure Private Limited 3. International Seaport Dredging Private Limited	None
<b>Details of Listed entities from which he resigned during the last three years.</b>	None	None	None
<b>Memberships/ Chairmanships of committees across all companies</b>	<b>Member:</b> <b>Board Risk Management Committee</b>  Larsen & Toubro Limited	<b>Member:</b> <b>CSR &amp; Sustainability Committee</b>  Larsen & Toubro Limited  <b>Corporate Social Responsibility Committee</b>  L&T Geostructure Private Limited	<b>Member:</b> <b>Stakeholders Relationship Committee</b>  Larsen & Toubro Limited
<b>Number of Meetings attended during FY 2024-25</b>	6 out of 6	6 out of 6	6 out of 6
<b>Shareholding in the Company</b>	Please refer to page No. 406 of this Integrated Annual Report.		
<b>Relationships between directors inter-se</b>	None	None	None

**INFORMATION AT A GLANCE:**

Sr. No.	Particulars	Details
1.	<b>Day, Date and Time of AGM</b>	Tuesday, June 17, 2025, 3:00 P.M.
2.	<b>Mode</b>	Video Conference (VC) or Other Audio Visual Means (OAVM)
3.	<b>Participation through VC/OAVM</b>	Members can login from 02.30 P.M. (IST) on the date of the AGM at <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a> .
4.	<b>Helpline Number for VC/OAVM participation</b>	NSDL Helpline No. 022 4886 7000
5.	<b>Submission of Questions/ Queries before AGM</b>	Members seeking any information with regard to the accounts or any matter mentioned in the AGM Notice, are requested to write to the Company on or before the cut-off date i.e. Tuesday, June 10, 2025 via email at <a href="mailto:IGRC@larsentoubro.com">IGRC@larsentoubro.com</a> . The same will be replied by the Company suitably.
6.	<b>Speaker registration before AGM</b>	Members may register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to <a href="mailto:LNTGOGREEN@larsentoubro.com">LNTGOGREEN@larsentoubro.com</a> on or before the Cut-off Date i.e. Tuesday, June 10, 2025.
7.	<b>Transcript</b>	Will be made available post AGM at <a href="http://www.larsentoubro.com">www.larsentoubro.com</a>
8.	<b>Dividend for FY 2024-25 recommended by the Board</b>	Final Dividend of ₹ 34 per equity share of face value of ₹ 2 each
9.	<b>Record Date</b>	Tuesday, June 03, 2025
10.	<b>Dividend Payment Date</b>	On or before Saturday, June 21, 2025
11.	<b>Cut-off date for e-voting</b>	Tuesday, June 10, 2025
12.	<b>Remote e-voting start time and date</b>	Friday, June 13, 2025, 09.00 A.M
13.	<b>Remote e-voting end time and date</b>	Monday, June 16, 2025, 05.00 P.M
14.	<b>Remote e-voting website of NSDL</b>	<b>Shares held in Demat mode with NSDL:</b> <ol style="list-style-type: none"> <li>Shareholders registered for NSDL IDeAS facility: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>Others: <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a></li> </ol> <b>Shares held in Demat mode with CDSL:</b> <ol style="list-style-type: none"> <li>Shareholders who have opted for Easi facility of CDSL: <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a></li> <li>Others: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> </ol> <b>Logging in through Depository Participants:</b> Members can also login using the login credentials of their demat account through your DP registered with NSDL /CDSL for e-voting facility.
15.	<b>Name, address and contact details of e-voting service provider and registrar and transfer agent</b>	<b>Registrar and Transfer Agent</b> KFin Technologies Limited Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Toll Free Number: 1800 3094 001 Email: <a href="mailto:einward.ris@KFintech.com">einward.ris@KFintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a> <b>E-voting Service Provider</b> National Securities Depositories Limited (NSDL) C-31, Naman Chamber, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Tel No: 022 4886 7000
16.	<b>Email Registration and Contact Updation Process</b>	<b>Demat Shareholders:</b> Contact respective Depository Participant <b>Physical Shareholders:</b> Please furnish Form ISR-1, Form ISR-2 and SH-13 (available on the Company's website at <a href="https://investors.larsentoubro.com/DownloadableForms.aspx">https://investors.larsentoubro.com/DownloadableForms.aspx</a> ) along with the necessary attachments mentioned in the said Forms to KFinTech, Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Members may also email the duly filled forms to <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> .

## Board's Report

Dear Members,

Your Directors have pleasure in presenting the 80<sup>th</sup> Integrated Annual Report and Audited Financial Statements of Larsen & Toubro Limited for the year ended March 31, 2025.

### FINANCIAL RESULTS:

The Company's financial performance for the year ended March 31, 2025 is summarized below:

	₹ crore	
Particulars	2024-25	2023-24
Profit before depreciation, exceptional items & Tax	15,062.00	12,653.15
Less: Depreciation, amortization, impairment, and obsolescence	1,963.02	1,753.17
Profit before exceptional items and tax	13,098.98	10,899.98
Add: Exceptional items	474.78	586.47
Profit before tax	13,573.76	11,486.45
Less: Provision for tax (including tax on exceptional items)	2,703.04	2,155.04
Net profit after tax	10,870.72	9,331.41
Add: Balance brought forward from the previous year	41,061.19	35,936.63
Less: Dividend paid for the previous year	3,849.57	3,373.56
Less: Special dividend paid	–	843.39
Add/(Less): Gain/(Loss) on remeasurement of the net defined benefits plans	(199.29)	10.10
Balance to be carried forward	47,883.05	41,061.19

*The Company has not transferred any amount from profit and loss to general reserve during FY 2024-25.*

### PERFORMANCE OF THE COMPANY:

The total income, on standalone basis, for the financial year under review is ₹ 148,178.22 crore as against ₹ 131,563.06 crore for the previous financial year, registering an increase of 12.63%. The Profit before exceptional items and tax is ₹ 13,098.98 crore for the financial year under review as against ₹ 10,899.98 crore for the previous financial year. The profit after tax is ₹ 10,870.72 crore for the financial year under review as against ₹ 9,331.41 crore for the previous financial year, registering an increase of 16.50%.

### DIVIDEND:

The Board recommends a final dividend of ₹ 34 per equity share of ₹ 2/- each on the share capital aggregating to ₹ 4,676 crore, with a payout ratio of 43.01%. The dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and deduction of tax at source, as required under the law. The final dividend, if approved, would be paid to members whose names appear in the Register of Members as on the record date fixed for this purpose.

The dividend payment is based upon the parameters mentioned in the Dividend Distribution Policy approved

by the Board. The Policy is uploaded on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

### CAPITAL AND FINANCE:

During FY 2024-25, the Company allotted 5,23,546 equity shares of ₹ 2/- each upon exercise of vested stock options by the eligible employees under the Employee Stock Option Schemes.

During FY 2024-25, the Company repaid Non-convertible Debentures amounting to ₹ 4,950 crore as per the repayment schedule.

The Company has issued and allotted on a private placement basis, Unsecured, Rated, Listed, Redeemable, Non-convertible Debentures (NCDs) aggregating ₹ 5,500 crore during FY 2024-25. These NCDs are listed on the Wholesale Debt Market segment of the National Stock Exchange of India Limited. The funds raised through issuance of NCDs were utilized as per the objects stated in the General Information Document/ Key Information Document of the respective NCDs. The Company has been regular in making payments of principal and interest on the NCDs.

The Company raised ₹ 25,385 crore by issue of Commercial Papers during FY 2024-25. As on March 31, 2025, the outstanding Commercial Papers is ₹ 1,500 crore. The Commercial Papers are listed on the Wholesale Debt Market segment of BSE Limited.

The Company has not defaulted on payment of any dues to the financial lenders.

The Company's borrowing programs have received the highest credit ratings from CRISIL Ratings Limited, ICRA Limited, India Ratings and Research Private Limited. The Company has also received ratings from global rating agencies viz. S&P Global Ratings and Fitch Ratings. The details of the same are given in Annexure 'B' – Report on Corporate Governance forming part of this Board Report and is also available on the website at <https://investors.larsentoubro.com/upload/ListingCompliance/06.%20Credit%20Rating.pdf>

#### **CAPITAL EXPENDITURE:**

As at March 31, 2025, the gross value of property, plant and equipment, investment property and other intangible assets, including leased assets, are ₹ 23,579.79 crore and the net value of property, plant and equipment, investment property and other intangible assets, including leased assets, are ₹ 12,393.07 crore. Capital Expenditure during FY 2024-25 is ₹ 2,725.01 crore.

#### **DEPOSITS:**

During the year under review, the Company has not accepted any public deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder. The requisite return for FY 2023-24 with respect to amount(s) not considered as deposits has been filed. The Company does not have any unclaimed deposits as of date.

#### **SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES:**

A statement containing salient features of the financial statements of subsidiary / associate/ joint venture companies and their contribution to the overall performance of the Company is furnished on page 723 to 733 of this Integrated Annual Report.

The Company has formulated a policy on identification of material subsidiaries in accordance with Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is hosted on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

[com/corporate/about-lt-group/corporate-policies/](https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/). There is no material unlisted subsidiary of the Company.

During the year under review, the Company subscribed to / acquired equity shares in various subsidiary / associate / joint venture companies. The details of investments / divestments in subsidiary / associate / joint venture companies during the year are as under:

#### **A) Shares subscribed/ acquired during the year:**

Name of the Company	Type of Shares	No. of shares	Value of Investment (₹ Crore)
L&T Semiconductor Technologies Limited	Equity	18,59,80,000	185.98
	Preference	2,62,00,000	131.00
L&T Energy Green Tech Limited	Equity	19,40,00,000	194.00
L&T Finance Limited (formerly L&T Finance Holdings Limited)		1,33,00,000	227.37
L&T Network Services Private Limited		90,00,000	9.00
L&T Special Steels and Heavy Forgings Private Limited		147,31,60,000	Refer Note 1
	Preference	166,92,00,000	Refer Note 1
Business Park (Powai) Private Limited	Equity	18,59,80,000	185.98
Corporate Park (Powai) Private Limited		19,82,76,000	198.28
E2E Networks Limited		29,79,579	1,079.27 (Refer Note 2)
Indian Foundation for Quality Management		1,25,00,000	12.50
Total Investment			2,223.38

Note 1 - During the year, with a view to undertake incremental investments to augment the breadth of offerings of L&T Special Steels and Heavy Forgings Private Limited (LTSSHF), your Company acquired equity and preference shares held by Nuclear Power Corporation of India Limited (NPCIL) and 100% of the secured loan interest in LTSSHF held by NPCIL for a total consideration of ₹ 170 crore and

terminated the joint venture agreement with NPCIL. LTSSHF is presently a wholly owned subsidiary of the Company.

Note 2 - During the year, your Company announced a strategic partnership with E2E Networks (listed on NSE), an 'Indian Cloud and AI Cloud' provider to augment its datacenter solutions. The Company acquired 15% of capital and invested ₹ 1,079.27 crore. The Company has acquired a further 1.1% stake in April 2025 and will acquire the remaining equity in due course. The partnership enables your Company to collaborate with E2E Networks to offer clients seamless, scalable and secure cloud experiences. By combining the Company's capabilities, your Company is poised to deliver a cloud ecosystem designed for businesses in India that want to drive growth, optimise costs and unlock the full potential of AI and digital transformation.

#### **B) Equity shares sold / transferred / reduced during the year:**

##### **Scheme of Amalgamation of L&T Energy Hydrocarbon Engineering Limited (LTEHE) and L&T Offshore Private Limited (LTOPL) with Larsen & Toubro Limited ("THE SCHEME"):**

In order to improve the synergies and optimize administrative and operating costs, the Board of Directors of the Company in its meeting held on January 30, 2024, approved merger of LTEHE and LTOPL with the Company. During the year, the Scheme was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench and Chennai Bench, and is effective March 1, 2025. The appointed date of the scheme was April 1, 2024. Further to the merger, LTEHE and LTOPL cease to be the wholly owned subsidiary of the Company.

#### **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:**

The Company has disclosed the particulars of the loans given, investments made or guarantees given or security provided during the year, as required under Section 186 of the Companies Act, 2013, Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in Note 57 forming part of the financial statements.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The Board attaches highest importance to governance and stakeholders' confidence and trust. In line with the same and to provide governance over transactions which could

involve a potential conflict of interest, the Company has a defined Related Party Transactions Policy and guidelines and the Audit Committee of the Board periodically reviews and monitors the Related Party Transactions. All related party transactions entered into during FY 2024-25 were in the ordinary course of business and at arm's length. The Audit Committee has approved the related party transactions for FY 2024-25 and also approved the estimated related party transactions for FY 2025-26, as required under the law. There were no Related Party Transactions that have any conflict of interest.

The updated Related Party Transactions Policy has been hosted on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, following material related party transactions are placed before the members for approval at the ensuing Annual General Meeting (AGM), by means of ordinary resolutions. These transactions are proposed to be entered at arm's length basis and are in ordinary course of business.

<b>S. no.</b>	<b>Name of the related party</b>	<b>Nature of transactions</b>	<b>Amount for which approval is sought (₹ Crore)</b>
1.	Larsen Toubro Arabia LLC	Providing Parent Company Guarantees (PCGs) and sale & purchase of goods	12,600
2.	L&T Metro Rail (Hyderabad) Limited	Providing PCGs and receiving guarantee income and availing lease facilities	11,000
3.	LTIMindtree Limited	• Sale, purchase, lease or supply of goods, assets or property or equipment;	1,500
4.	L&T Technology Services Limited	• Availing or rendering of services;	3,000
5.	L&T Modular Fabrication Yard LLC	• Transfer or exchange of any resources/ services or obligation to meet the Company's business objectives/ requirements.	5,500
6.	Apollo Hospitals Enterprise Limited	Construction of Hospitals & availment of medical and health services	2,400
<b>Total</b>			<b>36,000</b>

The Board recommends the above material related party transactions for approval of members by means of ordinary resolutions.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:**

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information as required to be given under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in Annexure 'A' forming part of this Board Report.

## **DETAILS OF CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mr. Adil Zainulbhai ceased to be the Independent Director of the Company upon successful completion of his tenure on May 28, 2024. Mr. Hemant Bhargava resigned as a Director of the Company with effect from May 27, 2024, pursuant to withdrawal of nomination by Life Insurance Corporation of India (LIC). The Board places on record its appreciation towards valuable contribution made by them during their tenure as Directors of the Company.

Mr. Siddhartha Mohanty was appointed as Nominee Director of LIC with effect from May 28, 2024. His appointment was approved by the members at the last Annual General Meeting (AGM).

Pursuant to the recommendations of the Nomination & Remuneration Committee (NRC), the Board had in its meeting held on March 21, 2025, approved the following, subject to the approval of the members at the ensuing AGM:

- Appointment of Mr. Subramanian Sarma as Deputy Managing Director & President of the Company with effect from April 2, 2025 to February 3, 2028;
- Re-appointment of Mr. S. V. Desai as Whole-time Director of the Company with effect from July 11, 2025 to July 4, 2030; and
- Re-appointment of Mr. T. Madhava Das as Whole-time Director of the Company for a term of five years with effect from July 11, 2025.

Mr. S. V. Desai and Mr. T. Madhava Das retire by rotation at the ensuing AGM and being eligible, offer themselves for re-appointment.

Necessary resolutions in relation to the above appointment and re-appointment of directors have been placed before

the members at the ensuing AGM. The Board of Directors recommends the above appointments/re-appointments of directors for approval of the members.

The terms and conditions of appointment of the Independent Directors are in compliance with the provisions of the Companies Act, 2013 and are placed on the website of the Company <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>.

The Company has also disclosed on its website <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx> details of the familiarization programs for the Independent Directors.

Mr. Sivaram Nair A, Company Secretary and Compliance Officer, would be superannuating from the services of the Company with effect from May 9, 2025. The Board places on record its appreciation for the valuable contribution made by him during his tenure as Company Secretary and Compliance Officer of the Company. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on May 8, 2025, approved the appointment of Mr. Subramanian Narayan as the Company Secretary and Compliance Officer effective May 10, 2025.

## **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

This information is furnished in Annexure 'B' - Report on Corporate Governance forming part of this Report. Members are requested to refer to page No. 397 of this Integrated Annual Report.

## **BOARD COMMITTEES:**

The Board has constituted an Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Board Risk Management Committee in terms of the requirements of the Companies Act, 2013 read with the Rules made thereunder and Regulation 18, 19, 20 and 21, respectively, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are furnished in Annexure 'B' - Report on Corporate Governance forming part of this Board Report. Members are requested to refer to pages 400 to 407 of this Integrated Annual Report.

## **CSR & SUSTAINABILITY COMMITTEE:**

The Company has in place a CSR & Sustainability (CSR) Committee in terms of the requirements of Section 135 of the Companies Act, 2013 read with the rules made thereunder.



The CSR policy is available on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/> and the initiatives taken by the Company on CSR activities during the financial year is available on the Company's website at <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>

A brief note regarding the Company's initiatives with respect to CSR and the composition of the CSR Committee is given in Annexure 'B' - Report on Corporate Governance forming part of this Board Report. Please refer to pages 407 to 409 of this Integrated Annual Report.

The disclosures required to be given under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure 'C' forming part of this Board Report.

The President, Whole-time Director & CFO of the Company has certified that CSR funds so disbursed for the projects have been utilized for the purposes and in the manner as approved by the Board.

#### **COMPANY POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The NRC has formulated a policy on Directors' appointment and remuneration including recommendation of remuneration of the key managerial personnel and senior management personnel, and the criteria for determining qualifications, positive attributes, and independence of a Director. Nomination and Remuneration Policy is provided as Annexure 'F' forming part of this Board Report and also disclosed on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

Your Company values each stakeholder and appreciates their unique differences. The Board Diversity Policy, aligned with legal requirements, emphasizes inclusion of women directors besides recognizing other forms of diversity, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge, networking, value addition and representation of stakeholders. The NRC has formulated a separate policy on Board Diversity.

#### **DECLARATION OF INDEPENDENCE:**

The Company has received declaration of Independence as stipulated under section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from

the Independent Directors confirming that he/she is not disqualified from being appointed/re-appointed/continue as an Independent Director as per the criteria laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same are also hosted on the website of the Company <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, all Independent Directors of the Company are exempted from undertaking the online proficiency self-assessment test conducted by the IICA.

#### **PERFORMANCE EVALUATION:**

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Individual Directors and the Chairman & Managing Director has to be made. All Directors responded through a structured questionnaire giving feedback about the performance of the Board, its Committees, Individual Directors and the Chairman & Managing Director.

As in the previous years, performance evaluation was carried out through an external consultant, independent of management or the Company's IT systems. This enables an unbiased feedback.

The Board performance evaluation inputs, including areas of improvement for the Directors, Board processes and related issues for enhanced Board effectiveness were discussed in the meetings of the Independent Directors, Nomination and Remuneration Committee and the Board of Directors held during May 2025.

#### **DISCLOSURE OF REMUNERATION:**

The details of remuneration as required to be disclosed under the Companies Act, 2013 and the Rules made thereunder, are given in Annexure 'D' forming part of this Board Report.

The information in respect of employees of the Company pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is provided



in Annexure 'G' forming part of this report. In terms of section 136(1) of the Companies Act, 2013 and the rules made thereunder, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board of Directors of the Company confirms that:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts on a going concern basis;
- e) The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating efficiently;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. For the year ended March 31, 2025, the Board is of the view that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and there is no material weakness. The Company has a process in place to monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps could have a material effect on the Company's operations.

#### **DEPOSITORY SYSTEM:**

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2025, 99.31% of the Company's total paid up capital representing 136,57,43,522 shares are in dematerialized form.

Pursuant to amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities in physical form, shall not be processed by the Company. In case of requests for transmission, transposition, issue of duplicate share certificate, renewal/exchange of securities certificate, endorsement, sub-division/split of securities certificate and consolidation of securities certificates/folios, the Company will issue a letter of confirmation, which needs to be submitted to Depository Participant(s) by the respective shareholder to get credit of the securities in dematerialized form to his/her account. Shareholders desirous of availing these services are requested to refer to the detailed procedure hosted on the website at <https://investors.larsentoubro.com/InvestorKit.aspx>.

In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical form are advised to avail of the facility of dematerialization from either of the Depositories.

The Company has availed a special contingency insurance policy towards the risks arising out of the requirements relating to issuance of duplicate securities and for the claims related to Investor Education and Protection Fund ('IEPF'), which is renewed every year.

#### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:**

The Company regularly sends reminders to those whose dividends are unclaimed, urging them to update the bank mandate details with Registrar and Transfer Agents (RTA)/ Depository Participants/Company, to ensure timely credit of Dividends by the Company. Additionally, efforts are also made in co-ordination with the RTA to locate the shareholders who have not claimed their dues.

Despite efforts, ₹ 15.08 crore towards dividend and ₹ 0.72 lakh towards bonus fractional entitlement remained unclaimed for a period of seven years, which were transferred to Investor Education and Protection Fund (IEPF) as required under Section 125 of the Companies Act, 2013 and the Rules made thereunder.

Cumulatively, the amount transferred to IEPF is ₹ 85.19 crore as on March 31, 2025.

In accordance with the provisions of Section 124(6) of the Companies Act, 2013 and Rule 6(3)(a) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has transferred 17,72,523 equity shares of ₹ 2 each (0.13% of paid-up shares) held by 14,847 shareholders (0.87% of total shareholders) to IEPF. The said shares correspond to the dividend which had remained unclaimed for a period of seven consecutive years from the financial year 2016-17. However, the members can claim the said shares along with the dividend(s) by making an application to IEPF Authority in accordance with the procedure available on [www.iepf.gov.in](http://www.iepf.gov.in) and on submission of such documents as prescribed under the IEPF Rules. The detailed procedure for claiming shares/dividend transferred to IEPF is made available on the Company's website at <https://investors.larsentoubro.com/Investor-FAQ.aspx>.

The Company sends specific communication in advance to the concerned shareholders at their address registered with the Company and also publishes notice in newspapers providing the details of the shares due for transfer to enable them to take appropriate action. All corporate benefits accruing on such shares viz. bonus shares, etc. including dividend, except rights shares, shall be credited to IEPF.

Pursuant to Section 124 of the Companies Act, 2013 the unpaid and unclaimed dividends that are due for transfer to the IEPF are disclosed on page no. 362 of this Integrated Annual Report.

Details of the Nodal Officer of the Company are displayed on the website at <https://investors.larsentoubro.com/shareholder-services.aspx>.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.

#### **PROTECTION OF WOMEN AT WORKPLACE:**

The Company believes that the women employees should have the opportunity to work in an environment free from any conduct which can be considered as a Sexual Harassment. The Company is committed to treating every employee with dignity and respect, fosters to create a workplace which is safe and free from any act of Sexual Harassment.

The Company has a policy on 'Protection of Women's Rights at Workplace' as per the provisions of the Sexual

Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules thereunder ('POSH Act & Rules'). The Policy is applicable to all L&T establishments located in India. The Policy has been widely disseminated. The Company has constituted Internal Complaints Committees to ensure implementation and compliance with the provisions of the Act and the Rules.

This Policy encompasses the following objectives:

- To define Sexual Harassment;
- To lay down the guidelines for reporting acts of Sexual Harassment at the workplace; and
- To provide the procedure for the resolution and redressal of complaints of Sexual Harassment.

The Policy is uploaded on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

There were 12 complaints received during FY 2024-25. 11 complaints have been concluded as per provision of POSH Act and Rules. The remaining complaint is under investigation. The complaints are redressed within the timelines prescribed in POSH Act and Rules.

#### **OTHER DISCLOSURES:**

- **ESOP Disclosures:** There has been no change in the Employee Stock Option Schemes (ESOP schemes) during the current financial year.

The disclosure relating to ESOPs required to be made under the provisions of the Companies Act, 2013 and the Rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations, 2021 (SBEB Regulations) is provided on the website of the Company <https://investors.larsentoubro.com/listing-compliance-agm.aspx>.

A certificate obtained from the Secretarial Auditors, confirming that the ESOP Schemes of the Company are in compliance with the SBEB Regulations and that the Company has complied with the provisions of the Companies Act, 2013 is also provided in Annexure 'B' forming part of this Report.

- **Corporate Governance:** Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance and a certificate obtained from the Statutory Auditors confirming compliance with Corporate Governance requirements provided in the aforesaid Regulations, are provided in Annexure 'B' forming part of this Report.

- **Business Responsibility and Sustainability Reporting:** As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Business Responsibility and Sustainability Reporting (BRSR) along with reasonable assurance on BRSR forms a part of this Integrated Annual Report. Please refer pages 298 to 355 of this Annual Report.
- **Integrated Reporting:** The Company is complying with the applicable requirements of the Integrated Reporting Framework. The Integrated Report tracks the sustainability performance of the organization and its interconnectedness with the financial performance, showcasing how the Company is adding value to its stakeholders. The Integrated Report forms a part of this Integrated Annual report.
- **Annual Return:** As per the provisions of Section 92(3) of the Companies Act, 2013, the Annual Return of the Company for the FY 2024-25 is available on our website <https://investors.larsentoubro.com/listing-compliance-agm.aspx>.
- **Statutory Compliance:** The Company has adequate systems and processes in place to comply with all applicable laws and regulations including the CSR obligations, pays applicable taxes on time.
- **MSME:** The Company has registered itself on Trade Receivables Discounting System platform (TReDS) through the service providers Receivables Exchange of India Limited. The Company complies with the requirement of submitting a half yearly return to the Ministry of Corporate Affairs within the prescribed timelines.
- **Insolvency and Bankruptcy Code (IBC):** There are no proceedings admitted against the Company under the Insolvency and Bankruptcy Code, 2016.
- **KYC registration for holders of physical shares:** All shareholders of the Company holding shares in physical form are requested to update their Mobile number, PAN, Address, Email ID, Bank account details (KYC details) and Nomination details with the Company's Registrar and Share Transfer Agent (RTA) at the earliest, in case the same are not updated.  
  
The relevant forms for updating the KYC information and Nomination details are provided on the website of the Company at <https://investors.larsentoubro.com/DownloadableForms.aspx>.
- **Designated person for furnishing information and extending co-operation to Registrar of Companies (ROC) in respect of beneficial interest in shares of the Company:** The Company Secretary & Compliance

Officer of the Company is the designated person responsible for furnishing information and extending cooperation to the ROC in respect of beneficial interest in the Company's shares.

- **Reporting of fraud:** The Auditors of the Company have not reported any instances of fraud committed during the FY 2024-25, against the Company by its officers or employees as specified under section 143(12) of the Companies Act, 2013.

#### **VIGIL MECHANISM:**

The Company has a Whistle-blower Policy in place since 2004 and aligns with the requirements of vigil mechanism under the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy provides for adequate safeguards against victimization of persons who complain under the mechanism and provides for direct access to the Chairperson of the Audit Committee. The Audit Committee of the Company oversees the functioning of the Vigil Mechanism framework.

The Whistle Blower Policy is available on the Company's website <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

Also see pages 409 & 410 forming part of Annexure 'B' of this Board Report.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

#### **CONSOLIDATED FINANCIAL STATEMENTS:**

Your Directors are pleased to attach the Consolidated Financial Statements pursuant to section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS).

#### **STATUTORY AUDITORS:**

In accordance with provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP (firm Registration Number 117366W/W-100018) will complete their term as Statutory Auditors of the Company at the conclusion of the forthcoming AGM. The Board

places on record its appreciation for the services rendered by M/s. Deloitte Haskins & Sells LLP as the Statutory Auditors of the Company.

M/s. M S KA & Associates (Firm's Registration Number 105047W) were appointed as Statutory Auditors for a term of 5 consecutive years from the conclusion of 79<sup>th</sup> AGM till the conclusion of 84<sup>th</sup> AGM of the Company and they continue to hold office as the Statutory Auditors of the Company.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

The Audit Committee reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process.

#### **SECRETARIAL AUDITORS:**

Pursuant to the amended provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors have approved and recommended the appointment of M/s. S. N. Ananthasubramanian & Co., Practicing Company Secretaries (Firm Registration Number: P1991MH040400) as the Secretarial Auditors of the Company for a term of 5 (Five) consecutive years from the FY 2025-26 till FY 2029-30, subject to the approval of the Members at ensuing AGM.

Brief profile and other details of M/s. S. N. Ananthasubramanian & Co., Practicing Company Secretaries, are disclosed in the AGM Notice approved by the Board. They have given their consent to act as Secretarial Auditors of the Company and have confirmed their eligibility for the appointment.

The Secretarial Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Company Secretaries of India (ICSI) and hold valid certificate issued by the Peer Review Board of the ICSI.

#### **AUDIT REPORTS:**

The Statutory Auditors' report to the shareholders does not contain any qualification, observation or comment or adverse remark.

The Secretarial Audit Report issued by M/s. S. N. Ananthasubramanian & Co., Company Secretaries, for FY 2024-25 is attached as Annexure 'E' forming part of this Board Report. The Secretarial Audit Report does not contain any qualification, reservation or disclaimer or adverse remark.

#### **COST AUDITORS:**

The provisions of section 148(1) of the Companies Act, 2013 are applicable to the Company and accordingly the Company has maintained cost accounts and records in respect of the applicable products for the year ended March 31, 2025.

The Board, on the recommendation of the Audit Committee, at its meeting held on May 8, 2025, has approved the appointment of M/s R. Nanabhoy & Co., Cost Accountants, as the Cost Auditors for the Company for the financial year ending March 31, 2026, at a remuneration of ₹ 19 lakhs plus taxes and out of pocket expenses. They have confirmed their independent status and that they are free from any disqualifications under section 141 of the Companies Act, 2013.

A proposal for ratification of remuneration of the Cost Auditor for the FY 2025-26 is placed before the Shareholders for approval in the ensuing AGM.

The Report of the Cost Auditors for the financial year ended March 31, 2025 is under finalization and shall be filed with the Ministry of Corporate Affairs within the prescribed period.

#### **ACKNOWLEDGEMENT:**

The Directors take this opportunity to thank the Members, Customers, Supply Chain Partners, Employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory Authorities, Stock Exchanges and various other stakeholders for their continued co-operation and support to the Company. Your directors also record their appreciation for the continued co-operation and support received from the Joint Venture Partners and Associates.

*For and on behalf of the Board*

**S. N. SUBRAHMANYAN**

*Chairman & Managing Director  
(DIN: 02255382)*

Date : May 8, 2025

Place : Mumbai

## Annexure 'A' to the Board's Report

Information as required to be given as per Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

### **[A] CONSERVATION OF ENERGY:**

#### **(i) Steps taken or impact on conservation of energy:**

##### **(a) Upgradation of Electrical Equipment:**

Upgrading and modernizing of electrical equipment and appliances to enhance energy efficiency, which includes converting and retrofitting ceiling fans, installation of energy saving lights at the substations, replacing conventional Air Conditioner (AC) units with inverter-type energy-efficient ACs and substituting old motors with energy-efficient models.

##### **(b) Use of LED lights:**

Usage of LED Lights at Bay areas and office areas as a replacement of conventional lighting systems viz. Metal Halide (MH) lights, Compact Fluorescent Lamp (CFL) lights and High Wattage lights complemented by adoption of energy efficient fans with Variable Frequency Drives (VFD).

##### **(c) Motion sensors:**

Strategic Integration of light dependent resistor sensors and advanced motion sensors at project sites working and common areas to ensure adequate consumption of electricity.

##### **(d) Natural lighting integration:**

Installed translucent roofing panels and sheets in project sites to capitalize natural daylight as energy resource to illuminate store areas and sheds.

##### **(e) Process redesign:**

Implementing strategic process redesigns to enhance energy efficiency, including optimizing cutting machines to reduce LPG consumption and redesigning Electropneumatic CNC machine operations for better energy conservation. Further, maximizing the use of inverter-based power sources for ESSC Stations.

Deployment of mobile fuel-dispensing units equipped with wheel and support systems at operational sites, eliminating the need for individual equipment to travel to fuel stations and thereby reducing overall fuel consumption.

##### **(f) Variable frequency drives (VFD):**

Strategic implementation of Variable Frequency Drives (VFDs) across key equipment such as rolling machines to improve furnace efficiency, leading to optimized energy consumption and reduced operational costs.

Upgradation of rolling machines and Electric Overhead Traveling (EOT) Cranes with Variable Voltage Frequency (VVF) drive technology which has resulted in precise control and energy savings.

##### **(g) Digital Fuel Monitoring Systems:**

Installation of IoT fuel sensors in Plant & Machinery (P&M) enabled precise tracking of fuel consumption and idling hours, reducing fuel wastage and ensuring optimal equipment usage.

Deployment of Radio Frequency Identification (RFID) based fuel dispensing systems ensured accurate, automated tracking of fuel distribution, minimizing over-fueling and reducing overall fuel consumption.

##### **(h) Improvements in equipment efficiency and energy savings:**

Streamlining welding operations by shifting to inverter-based machines, thereby reducing emissions, and improving energy utilization.

Implementation of timer-based control for the white fumes blower in Galvanizing Bay, optimizing its operation, ensuring it runs only during necessary periods, thus reducing overall electricity consumption.

##### **(i) Fuel consumption reduction and conversion to electrically operated equipment:**

Converting equipment such as forklift, compactors, air compressors, dewatering pumps, spider lift, light masts, etc. into an electric-hybrid equipment, which resulted in reducing overall energy consumption.

Adoption of Induction heating, coupled with smart metering, replaced gas preheating, significantly reduced energy consumption by providing precise and on-demand heating.

Technological modifications in the burner system in Zinc recovery machine have enabled combining compressed biogas with LPG, improving energy efficiency.



Addition of fuel additives across various project sites, resulted in significant reduction in overall fuel consumption.

Replacement of diesel-driven air compressors with electrical air compressors for blasting operations has lowered carbon emissions.

#### **(J) Recycling and Resource Optimization Initiatives**

Recycling of wood waste generated from cable drums is being carried out, and the reclaimed wood was used to fabricate safety signages, barricading, and trench crossing bridges, contributing to efficient resource utilization and waste reduction.

Deployment of Bucket crushers to recycle excavated boulders and rocks on-site, minimized the energy and emissions associated with transportation of materials and reducing the need for virgin aggregates. This supports sustainable construction practices and lowers embedded energy in concrete production.

Waterless automatic module cleaning systems have been adopted in international projects, ensuring significant conservation of water resources while maintaining module efficiency.

#### **(ii) Steps taken by the Company for utilizing alternate sources of energy:**

##### **(a) Renewable energy:**

Installation of rooftop solar power systems and solar panels at office premises, various project sites and workmen habitats, contributing to clean energy generation and reduction in dependency on grid and Diesel Generator (DG) set electricity.

Replacement of conventional light masts with solar-powered alternatives lead to lower emissions and energy costs across project sites.

##### **(b) Wind energy:**

Wind energy has been utilized at various factories/ project sites of the Company, contributing to reducing reliance on traditional energy sources.

Power purchase agreement was initiated for Katupalli unit for the supply of 3,00,000 kWh of renewable wind energy per month, further enhancing the use of clean energy and supporting the organization's sustainability goals.

Installation of micro wind turbines in one of the metro projects to supplement power requirements through wind energy.

##### **(c) Alternate fuels:**

Blending of biofuel at 10% proportion to enhance energy efficiency across various project sites, contributing to reduced fossil fuel consumption and promoting cleaner energy usage.

Significant reduction in fuel consumption with the usage of additives across various projects sites of the Company.

Replacing Fossil fuel-based burners with Pallet burners at multiple project sites helped reduce Greenhouse Gas emissions.

Biogas plants and organic waste converters installed in labour camps to generate energy from biodegradable waste.

##### **(d) Green energy:**

Projects are continuously identified for adoption of green tariffs, helping us in reducing scope 2 emissions.

Power Purchase Agreement (PPA) was initiated for the supply of 10,00,000 kWh per year of renewable energy through solar, effective from April 2024, further strengthening the organization's commitment to clean energy and sustainability. Additionally, PPA were entered into for rooftop solar installations, contributing to usage of renewable energy and thereby resulting into cost savings.

#### **(iii) Capital investment on energy conservation equipment:**

- During FY 2024-25, Heavy Engineering business of the Company has made a Capex investment of ₹ 3 crore on energy conservation and renewable energy.
- Precisions engineering and systems business has made capital investment of ₹ 0.54 crore towards installation of Brushless Direct Current (BLDC) Fans, Inverter AC Installations and blower procurement.
- Rubber Processing Machinery business of the Company has made investment of ₹ 6.02 crore in Research & Development of various areas viz. Electrical Actuators, Automatic bead width adjustment, automatic unloader width adjustment, and turret-based systems, enhancement in Heating Technologies.

#### **[B] TECHNOLOGY ABSORPTION:**

##### **(i) Efforts made towards technology absorption:**

- Development of technology for Primary Transfer Line Exchanger used in Cracker Furnace.



- Development of technology for Finger type Slug Catcher.
- Usage of advanced manufacturing simulation technology for optimization of heat input and distortion reduction through selection of appropriate number of welding guns for site repair.
- Building capability for Transient fluid flow simulation with conjugate heat transfer (CHT) for analyzing and predicting the dynamic behavior of fluid and thermal systems in engineering applications.
- Implementation of the Temperature Phased Anaerobic Digestion (TPAD) system at a Sewage Treatment Plant (STP) in Chandigarh marks a significant milestone as the first centralized sludge treatment facility of its kind in India. The TPAD system is designed to produce Class A biosolids, ensuring the treated sludge is suitable for use as bio-fertilizer.
- Implementation of AI-based Unified Command Control Centre (UCCC) for Unmanned Tubewell Automation, utilizing VSAT communication across various rural locations.
- The integration of AI/ML algorithms using MATLAB and Python is being leveraged to optimize plant operations for maximum energy efficiency and sustainability. This advanced technological approach ensures consistent adherence to prescribed standards while enabling intelligent, data-driven decision-making for enhanced operational performance.
- Modular formwork panels were deployed at various project sites for RCC wall and column construction in bioreactors and other process structures.
- Root-cause analysis and corrective action in critical process equipment, addressing complex degradation mechanisms such as Methanol Stress Corrosion Cracking, Hydrogen Embrittlement, Chloride Stress Corrosion Cracking, Sulphuric Acid Corrosion, and Microbial Corrosion.
- Capability development in emerging areas such as Sustainable Aviation Fuel (SAF) production (biomass gasification, Fischer-Tropsch synthesis) and energy-efficient storage of LNG/Hydrogen through liquefaction.
- Development of modular ammonia plant concepts aligned with energy transition goals.

- Enhancement of in-house capabilities for specialized engineering analyses, including process simulation, Computational Fluid Dynamics (CFD), transient thermal analysis, radiation and dispersion analysis, and advanced stress analysis using Finite Element Method (FEM).
- Implementation of Gas Metal Arc Welding - Regulated Metal Deposition (GMAW-RMD) Welding method allows precise control over the arc characteristics, heat input, and metal deposition rates.
- Development of "Hybrid Tandem Tippler" used at certain project sites, enabled efficient unloading both bottom discharge wagons and top open wagons.

**(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:**

- Reduction in production cycle time, cost, and rework due to implementation of advanced manufacturing.
- Enhanced and refined on-site fabrication capabilities through continuous improvement initiatives.
- Implementation of TPAD (Temperature Phased Anaerobic Digestion) reduced carbon footprint due to higher clean energy generation (through biogas).
- UCCC leverages unmanned operations and maintenance powered by AI tools, significantly reducing downtime and the need for manual interventions.
- Implementation of ozonated nanobubble technology in the existing process scheme has successfully achieved 3.5 ppm of ammonia removal. This technology offers an efficient solution for removing ammonia (NH<sub>3</sub>-N) to acceptable levels during seasonal spikes, without the need for major modifications to the existing process, thereby enhancing operational effectiveness.
- Deployment of Modular formwork panels led to substantial increase in labour productivity and reduction in cycle time resulting in faster execution.
- Significant reduction in analysis turnaround time and dependency on external consultants by strengthening in-house engineering capabilities, leading to cost savings.

- Improved quality and reliability of engineering deliverables through adoption of advanced software tools, simulation techniques, and compliance with latest standards.
- GMAW-RMD Welding method regulates the metal transfer during welding and provides greater consistency, reduced heat distortion, and improved productivity compared to traditional methods.

**(iii) Information regarding technology imported during the last 3 years:**

Technology Imported	Year of Import	Status of absorption & reasons for non-absorption, if any
Pressurized Heavy Water Reactors and Next-Gen Reactors fueled by Advanced Nuclear Fuel Technology.	FY 2024-25	Partially absorbed

**(iv) Expenditure incurred on Research & Development:**

₹ crore

Particulars	2024-25
Capital	3.17
Recurring	173.75
<b>Total</b>	<b>176.92</b>
Total R&D expenditure as a percentage of total turnover	0.12%

**[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:**

₹ crore

Particulars	2024-25
Foreign Exchange earned	25,879.49
Foreign Exchange saved / deemed exports	3,704.98
<b>Total</b>	<b>29,584.47</b>
Foreign Exchange used	23,162.55

## Annexure 'B' to the Board's Report

### A. CORPORATE GOVERNANCE

Corporate Governance is a framework of principles, processes, and systems that governs corporates at large. Its core elements include independence, transparency, accountability, responsibility, compliance, ethics, values and trust. These elements collectively enable an organization to operate efficiently and ethically, fostering the generation of long-term wealth and value creation for all its stakeholders.

L&T firmly believes that sound Corporate Governance is essential for enhancing and maintaining stakeholder trust, and consistently strives to align its performance goals with the governance principles. The Company has established systems and procedures ensuring that the Board is well informed and is prepared to fulfill its responsibilities. This foundation empowers the management to provide the strategic direction necessary for creating value for its stakeholders.

Historically, the Company has proactively adopted ethical and transparent standards, even before they were mandatory. The Company's commitment to build and sustain trust with shareholders, employees, customers, suppliers, and other stakeholders, are ingrained in the principles of governance adopted by the Company.

### B. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward.

The Company strives to adopt policies and practices that meet the highest ethical standards across all its business functions. Commitment to good governance has a distinctive competitive advantage, enhances trust and creates long-term sustainability. The Company has been guided by the belief that the strong relationship between culture and strategy will consistently produce improved financial performance, better employee engagement, ethical behaviour and stakeholder satisfaction.

### C. THE GOVERNANCE STRUCTURE

The Company has four tiers of Corporate Governance structure, viz.:

- (i) **Strategic Supervision** – by the Board of Directors comprising the Executive, Non-Executive and Independent Directors.
- (ii) **Executive Management** – by the Executive Committee (ECom) comprising the Chairman and Managing Director, all Executive Directors and identified senior leaders.
- (iii) **Strategy & Operational Management** – by the Independent Company Management Leadership Team of each Independent Company (IC) (not legal entities) comprising representatives from the Company's Board (wherever applicable) and Senior Executives from the IC.
- (iv) **Operational Management** – by the Business Unit (BU) Heads.

The four-tier governance structure, besides ensuring greater management accountability and credibility, facilitates alignment with L&T overall strategy besides increased autonomy to the businesses, performance discipline and development of business leaders.

### D. ROLES OF VARIOUS CONSTITUENTS OF CORPORATE GOVERNANCE IN THE COMPANY

#### a. Board of Directors (the Board):

The Directors of the Company hold a fiduciary responsibility, entrusted with the oversight of management to ensure their effectiveness and enhancement of stakeholders' value. The Board, *inter-alia*, offers strategic guidance, evaluates the performance of the group and approves management's business objectives and plans.

#### b. Executive Committee (ECom):

The ECom serves as a pivotal entity for conducting comprehensive reviews of company-wide operations. It plays a crucial role in enhancing the connections between the Independent Companies (ICs) and the Company's Board. Furthermore, ECom is instrumental in optimizing the synergies between various ICs. It also engages in thorough

deliberations on strategic and tactical issues that span across the ICs and the Corporate level, ensuring a cohesive approach to addressing cross-functional challenges. The agenda includes:

- Review of major order prospects (Standalone/ Group) / “Integrated offerings”;
- Review of consolidated financials including working capital, cash flow, capital structure, etc.;
- Review of Monthly / Quarterly / Yearly financial performance;
- Review of Revenue, Capital & Manpower Budget and performance thereagainst;
- Review and discuss strategic issues which impact the entire organization, viz.,
  - (i) International business expansion
  - (ii) Technology reviews and partnerships
  - (iii) IC synergies
  - (iv) HR Update/ Talent Management / Service contract extensions for senior management personnel / Leadership development and succession planning
  - (v) Digital Transformation Projects
  - (vi) ESG Matters
  - (vii) Review of brand management
  - (viii) Risk Management
- Approval of Company policies;
- Strategic plans & investments and business portfolio reviews; and
- Sharing of best practices, etc.

**c. The Chairman & Managing Director:**

The Chairman & Managing Director (CMD) holds full accountability to the Board for the comprehensive aspects of the Company's operations. This includes spearheading business development initiatives, ensuring operational excellence, achieving business results, and fostering leadership development. The CMD's responsibilities extend to all related areas necessary for the Company's success and growth.

**d. Executive Directors / Senior Management Personnel:**

The Executive Directors, as integral members of the Board, alongside the Senior Management Personnel within the Executive Committee, play a pivotal role in steering the strategic management of the Company's businesses. They operate within the direction and framework sanctioned by the Board, ensuring alignment with the organization's overarching objectives. Their responsibilities encompass management of both business and corporate functions, which includes overseeing governance processes and enhancing the effectiveness of top management. This collective leadership ensures that the Company's strategic initiatives are executed efficiently and align with its long-term vision and goals.

The profiles and expertise of all Executive Directors who are responsible for various businesses of the Company are available on the Company's website at <https://larsentoubro.com/corporate/about-lt-group/leadership/>.

Senior Management Personnel means all members of management one level below the Executive Directors including the Company Secretary. Presently, persons in Senior Vice President grade and F&A heads of ICs reporting to

Whole-time Directors are covered as Senior Management Personnel. During the year, the following officials of the Company were elevated and covered under Senior Management, details of which are as under:

S. no.	Name	Designation	With effect from
1.	Mr. R. Govindan	Senior Vice President - Corporate Finance & Enterprise Risk Management	July 1, 2024
2.	Mr. Arun T Ramchandani	Senior Vice President - Precision Engineering & Systems IC	July 1, 2024
3.	Mr. Anupam Kumar	Senior Vice President – L&T and CEO & Managing Director – L&T Realty	July 1, 2024
4.	Mr. Ganesan R	Senior Vice President - L&T Construction	September 1, 2024

Mr. M. V. Satish superannuated as Executive Director of the Company with effect from April 7, 2024.

**e. Non-Executive Directors (NED) / Independent Directors:**

The Non-Executive Directors and Independent Directors play an essential role in bringing balance to the Board's processes. Their independent judgment is crucial on a range of issues including strategy, performance, resource allocation, standards of conduct and safety. Moreover, they contribute valuable insights and inputs that enhance the Board's decision-making capabilities.

The profiles and expertise of all Independent Directors/Non-executive Directors of the Company are available on the Company's website at <https://larsentoubro.com/corporate/about-lt-group/leadership/>.

**f. Independent Companies:**

The Company has a Hybrid Holdco Structure comprising 'Independent Companies' (ICs) (not legal entities).

Each IC is governed by an IC Management Leadership Team led by an Executive Director or Senior Executive. The IC Management Leadership Team, *inter alia*, oversees:

- Implementation of Lakshya i.e. the Company's strategic plan
- Leadership pipeline/ succession planning
- Revenue, capital and manpower budget
- Quarterly operational and financial performance of each BU and segment.
- Order prospects and order pipeline.
- ESG matters and Risk assessments, as necessary
- Resolution of critical issues faced by the IC.

**E. BOARD OF DIRECTORS**

**a. Composition of the Board:**

The Company's policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors. As on March 31, 2025, the Board comprised the CMD, 5 Executive Directors, 1 Non-Executive Director (representing a financial institution) and 8 Independent Directors, including one Woman Independent Director. The composition of the Board, as on March 31, 2025, is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').

Details of changes in composition of the Board forms part of Board Report.

**b. Meetings of the Board:**

The meetings of the Board are generally held at the Registered Office of the Company at L&T House, Ballard Estate, Mumbai - 400 001, with formal schedule of the matters for its consideration and whenever necessary, the meetings are also held at locations, where the Company operates. In case urgent business to be transacted, Board Meetings are also held through video conferencing. During the year under review, 6 meetings of the Board were held on May 8, 2024, July 24, 2024, October 30, 2024, November 28, 2024, January 30, 2025 and March 21, 2025.

The Independent Directors met on October 30, 2024, November 11, 2024, March 21, 2025 and May 7, 2025 to discuss the matters of importance inter-alia covering performance evaluation of the Board as a whole, assess the quality, quantity and timeliness of flow of information between the management and the Board.

The Company Secretary prepares the agenda and the explanatory notes, in consultation with the Chairman & MD and circulates the same in advance to the Directors. Every Director can suggest inclusion of items on the agenda. The Board meets at least once every quarter, *inter alia*, to review the quarterly results. Additional meetings are held, whenever necessary. The meetings were conducted physically/through video conference during the year. Presentations are made on business operations to the Board by Independent Companies/Business Units. Senior management personnel are invited to provide additional inputs for the items being discussed by the Board of Directors as and when necessary. The respective Chairperson of the Board Committees apprise the Board Members of the important issues and discussions in the Committee Meetings. Minutes of Committee meetings are also circulated to the Board.

The minutes of the proceedings of the meetings of the Board of Directors are approved and the draft minutes are circulated to the directors for their perusal. Comments, if any, received from the Directors are also incorporated in the minutes, in consultation with the Chairman & MD of the Board. The minutes are approved and entered in the minutes book within 30 days of the Board meeting. Thereafter, the minutes are signed and dated by the Chairman of the Board at the next meeting.

The following is the composition of the Board of Directors as on March 31, 2025 along with the attendance of the directors at the meetings and at the last Annual General Meeting:

Name of Director	Category	Meetings held during the year	No. of Board Meetings attended	Attendance at last AGM
Mr. S. N. Subrahmanyam	Chairman & MD	6	6	Yes
Mr. R. Shankar Raman	ED & CFO	6	6	Yes
Mr. Subramanian Sarma	DMD	6	6	Yes
Mr. S. V. Desai	ED	6	6	Yes
Mr. T. Madhava Das	ED	6	6	Yes
Mr. Anil V Parab	ED	6	5	Yes
Mr. Adil Zainulbhai <sup>§</sup>	ID	1	1	NA
Mr. Sanjeev Aga	ID	6	6	Yes
Mr. Hemant Bhargava <sup>#</sup> (refer Note 1)	NED	1	1	NA
Mr. Narayanan Kumar	ID	6	6	Yes
Ms. Preetha Reddy	ID	6	6	Yes
Mr. Pramit Jhaveri	ID	6	6	Yes
Mr. Rajnish Kumar	ID	6	6	No
Mr. Jyoti Sagar	ID	6	5	Yes
Mr. Ajay Tyagi	ID	6	6	Yes
Mr. P. R. Ramesh	ID	6	6	Yes
Mr. Siddhartha Mohanty* (refer Note 1)	NED	5	3	Yes

Meetings held during the year are expressed as number of meetings eligible to attend.

<sup>§</sup> Ceased as Independent Director of the Company w.e.f. May 28, 2024.

<sup>#</sup> Ceased as a Director of the Company w.e.f. May 27, 2024

\* Appointed as a Director of the Company w.e.f. May 28, 2024.

Note 1: Representing equity interest of Life Insurance Corporation of India.

CMD - Chairman & Managing Director

DMD - Deputy Managing Director

ED - Executive Director

NED - Non-Executive Director

ID - Independent Director

ED & CFO - Executive Director and Chief Financial Officer

1. None of the above Directors are related inter-se.
2. None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 17A of the SEBI LODR Regulations.



As on March 31, 2025, the number of other directorships and the number of positions held as Member/Chairperson of Committees of the Board of Directors along with the names of the listed entities (whose equity shares are listed) wherein the Director holds directorships are as follows:

Name of Director	No. of other company Directorships	No. of Committee Membership	No. of Committee Chairpersonships	Names of other Equity listed entities where he/she holds Directorship	Category of Directorship
Mr. S. N. Subrahmanyam	6	–	–	LTIMindtree Limited	Non- Executive - Chairman
				L&T Technology Services Limited	Non- Executive - Chairman
				L&T Finance Limited	Non-Executive Chairman
Mr. R. Shankar Raman	5	3	–	LTIMindtree Limited	Non-Executive Director
				L&T Finance Limited	Non-Executive Director
Mr. Subramanian Sarma	3	–	–	None	
Mr. S. V. Desai	3	–	–	None	
Mr. T. Madhava Das	–	1	–	None	
Mr. Anil V Parab	2	1	–	None	
Mr. Sanjeev Aga	2	1	–	LTIMindtree Limited	Independent Director
				Vishal Mega Mart Limited	Non-Executive Director
Mr. Narayanan Kumar	2	1	–	L&T Technology Services Limited	Independent Director
Mrs. Preetha Reddy	8	2	–	Apollo Hospitals Enterprise Limited	Executive Vice-Chairperson
				IRM Energy Limited	Independent Director
Mr. Pramit Jhaveri	2	2	–	Bajaj Finance Limited	Independent Director
				Bajaj Finserv Limited	Independent Director
Mr. Rajnish Kumar	3	2	2	Ambuja Cements Limited	Independent Director
				Hero Motocorp Limited	Independent Director
Mr. Jyoti Sagar	–	–	–	None	None
Mr. Ajay Tyagi	3	–	2	Hyundai Motor India Limited	Independent Director
Mr. P. R. Ramesh	8	3	5	Nestle India Limited	Independent Director
				Crompton Greaves Consumer Electricals Limited	Independent Director
				Tejas Networks Limited	Independent Director
				Cipla Limited	Independent Director
				ITC Hotels Limited	Independent Director
Mr. Siddhartha Mohanty	5	1	–	LIC of India	CEO and Managing Director
				LIC Housing Finance Limited	Nominee Director
				ITC Limited	Nominee Director

Notes:

1. Other Company Directorships includes directorships in all public limited companies and excludes private limited companies, foreign companies and Section 8 companies.
2. The details of positions held as Member/Chairperson of Committees are disclosed as per Regulation 26 of the SEBI LODR Regulations which includes only Stakeholders' Relationship Committee and Audit Committee of public companies.

### c. Information to the Board:

The Board of Directors are provided information relating to the Company, which *inter alia* includes -

- Annual revenue budgets and capital expenditure plans
- Quarterly results and results of operations of ICs and business segments
- Financing plans of the Company
- Minutes of meetings of Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Board Risk Management Committee and CSR & Sustainability Committee

- Details of any joint venture, acquisitions of companies or collaboration agreement or sale of investments, subsidiaries, assets and quarterly report on fatal or serious accidents or dangerous occurrences
- Any materially relevant default, if any, in financial obligations to and by the Company or substantial non-payment for goods sold or services rendered, if any
- Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company
- Developments in respect of human resources/industrial relations
- Compliance or Non-compliance of any regulatory, statutory nature or listing requirements and investor service such as non-payment of dividend, etc., if any

**d. Post-meeting internal communication system:**

The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/ICs promptly. An Action Taken Report is regularly presented to the Board.

**e. Board Skill Matrix:**

The matrix setting out the skills/expertise/competence of the Board of Directors, as identified by the Board of Directors in the context of the Company's businesses, is given below:

Sr. No	Experience / Expertise / Attribute	Comments
1	Leadership	Ability to envision the future and prescribe a strategic goal for the Company, help the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/efforts in appropriate direction. Be a thought leader for the Company and be a role model in good governance and ethical conduct of business, while encouraging the organization to maximize shareholder value. Should have had hands on experience of leading an entity at the highest level of management practices.
2	Industry knowledge and experience	Should possess domain knowledge in businesses in which the Group participates viz. Infrastructure, Power, Heavy Engineering, Defence, Hydrocarbon, Financial Services, Information Technology and Technology Services. Must have the ability to leverage the developments in the areas of engineering and technology and other areas as appropriate for betterment of Company's business.
3	Experience and Exposure in policy shaping and industry advocacy	Should possess ability to develop professional relationship with the Policy makers and Regulators for contributing to the shaping of Government policies in the areas of Company's business.
4	Governance including legal compliance	Commitment, belief and experience in setting corporate governance practices to support the Company's robust legal compliance systems and governance policies/practices.
5	Expertise/Experience in Finance & Accounts / Audit / Risk Management areas	Ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/risk management policies/ practices of the Company across its business lines and geography of operations.
6	Global Experience / International Exposure	Ability to have access and understand business models of global corporations, relate to the developments with respect to leading global corporations and assist the Company to adapt to the local environment, understand the geo political dynamics and its relations to the Company's strategies and business prospects and have a network of contacts in global corporations and industry worldwide.

The mapping of the Skill Matrix for the Directors is as follows:

Sr. No	Name of the Director	Skill Attribute					
		Leadership	Industry knowledge and experience	Experience and Exposure in policy shaping and industry advocacy	Governance including legal compliance	Expertise/ Experience in Finance and Accounts/ Audit /Risk Management areas	Global Experience / International Exposure
1.	Mr. S. N. Subrahmanyam	√	√	√	√	√	√
2.	Mr. R. Shankar Raman	√	√	√	√	√	X
3.	Mr. Subramanian Sarma	√	√	√	√	X	√
4.	Mr. S. V. Desai	√	√	X	√	X	√

Sr. No	Name of the Director	Skill Attribute					
		Leadership	Industry knowledge and experience	Experience and Exposure in policy shaping and industry advocacy	Governance including legal compliance	Expertise/ Experience in Finance and Accounts/ Audit /Risk Management areas	Global Experience / International Exposure
5.	Mr. T. Madhava Das	✓	✓	X	✓	X	✓
6.	Mr. Anil V Parab	✓	✓	X	✓	X	✓
7.	Mr. Sanjeev Aga	✓	X	✓	✓	✓	X
8.	Mr. Narayanan Kumar	✓	✓	✓	✓	✓	X
9.	Mrs. Preetha Reddy	✓	X	✓	✓	X	✓
10.	Mr. Pramit Jhaveri	✓	X	X	✓	✓	✓
11.	Mr. Rajnish Kumar	✓	X	✓	✓	✓	✓
12.	Mr. Jyoti Sagar	✓	X	✓	✓	X	✓
13.	Mr. Ajay Tyagi	✓	X	✓	✓	✓	✓
14.	Mr. P. R. Ramesh	✓	X	✓	✓	✓	✓
15.	Mr. Siddhartha Mohanty	✓	X	✓	✓	✓	✓

Note: Absence of any skill does not necessarily mean that the Director does not possess the skill.

## F. BOARD COMMITTEES

The Board currently has 5 Committees: 1) Audit Committee, 2) Nomination & Remuneration Committee, 3) Stakeholders' Relationship Committee, 4) CSR & Sustainability Committee and 5) Board Risk Management Committee. The terms of reference of the Board Committees are in compliance with the provisions of the Companies Act, 2013, SEBI LODR Regulations and are also reviewed by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees. The meetings of each Board Committee are convened by the Company Secretary in consultation with the respective Committee Chairperson. The role and composition of these Committees including the number of meetings held during the financial year and the related attendance are provided in the subsequent paragraphs.

### 1) Audit Committee

The Company constituted the Audit Committee in 1986, well before it was made mandatory by law.

#### i) Terms of reference:

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing, with the management, the annual financial statements and the audit report before submission to the Board for approval, with particular reference to:
  1. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of sub-section (5) of section 134 of the Companies Act, 2013
  2. Changes, if any, in accounting policies and practices and reasons for the same
  3. Major accounting entries involving estimates based on the exercise of judgment by management

4. Significant adjustments made in the financial statements arising out of audit findings
  5. Compliance with listing and other legal requirements relating to financial statements
  6. Disclosure of any related party transactions
  7. Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilisation of proceeds of public or rights issue or preferential issue or Qualified Institutional Placement, and making appropriate recommendations to the Board to take up steps in this matter, if any.
  - Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - Discussion with internal auditors about any significant findings and follow up there on.
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - To review the functioning of the Whistle Blower mechanism.
  - Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate, if any.
  - The recommendation for appointment, remuneration and terms of appointment of secretarial auditors of the Company.
  - The recommendation for appointment, remuneration and terms of appointment of cost auditors of the Company.
  - Review and monitor the auditor's independence and performance, and effectiveness of audit process.
  - Review the management discussion and analysis of financial condition and results of operations.
  - Approval or any subsequent material modification and ratification of transactions of the Company with related parties.
  - Reviewing the utilization of loans and/ or advances from/investment in the subsidiary companies exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/ advances / investments.
  - Valuation of undertakings or assets of the Company, wherever it is necessary.
  - Evaluation of internal financial controls and risk management systems.
  - Monitoring the end use of funds raised through public offers and related matters.
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  - Consider and comment on rationale, cost benefit and impact of Schemes involving

mergers, demerger, amalgamation etc on the entity and its shareholders.

Apart from the quarterly meetings for discussing the financial results, additional Audit Committee meetings are held wherein matters like Internal Audit findings, Internal Audit plan, Statutory Audit plan, treasury framework, material vendor complaints, Insider trading compliances, major litigations, related party transactions, cost audit, etc are discussed. The Audit Committee also reviews and approves the permitted non-audit services proposed to be availed by the Company or its subsidiaries from the statutory auditors.

**ii) Composition:**

As on March 31, 2025, the Audit Committee comprised three Independent Directors.

**iii) Meetings:**

During the year ended March 31, 2025, 8 meetings of the Audit Committee were held on April 19, 2024, May 7, 2024, July 23, 2024, August 21, 2024, October 29, 2024, November 21, 2024, January 29, 2025 and February 28, 2025.

The attendance of Members at the Meetings was as follows:

Name	Status	No. of meetings held during the year	No. of Meetings Attended
Mr. P. R. Ramesh	Chairman	8	8
Mr. Sanjeev Aga	Member	8	8
Mr. Rajnish Kumar	Member	8	8

Meetings held during the year are expressed as number of meetings eligible to attend.

Majority of the members of the Audit Committee are financially literate and have accounting or related financial management expertise.

The President, Whole-time Director & CFO and Head - Corporate Audit Services are permanent invitees to the Meetings of the Audit Committee. The Company Secretary is the Secretary to the Committee.

**iv) Internal Audit:**

The Company has an internal corporate audit team consisting of Chartered Accountants, Certified Internal Auditors and Engineers from various disciplines. Over a period, the Corporate Audit Services department ("CAS") has acquired in-depth knowledge about the Company, its businesses, its systems & procedures, the knowledge of which is now institutionalized. The Head of CAS reports to the Audit Committee. The staff of CAS are rotated periodically to have a holistic view of the entire operations and share the findings and good practices.

The CAS team while drawing out their Audit Plan for the year, also plans for some theme-based audits to have in-depth and detailed review of the theme selected, which is incorporated in the overall audit programme and also performs certain audits using services of Guest Auditors. The Company being predominantly a project-oriented Company, CAS emphasizes a risk-based focus areas in project audits. It encourages its team members to obtain globally renowned Certified Information Systems Auditor (CISA), Certified Internal Auditor (CIA) and Certified Fraud Examiner (CFE) Certification, etc., which will enhance the capabilities. Every year, CAS reviews the Audit Universe which is an exhaustive list of businesses, functions, activities and locations across the Company. The yearly plan, details out the scope and coverage of audits proposed for the year and it is ensured that, on an average, all operations in the Audit Universe gets into an audit coverage, at least once in 2 years.

The CAS team of the Company also covers the internal audit of all ICs and unlisted subsidiary companies. An in-depth audit is conducted by the team. The major deviations are highlighted and discussed with the concerned IC Leadership and / or subsidiary company Board and key audit observations are also placed before the Audit Committee of the Company once in every quarter. Internal Audits of few subsidiaries and few other service functions have been outsourced to external audit firms.

## 2) Nomination & Remuneration Committee (NRC)

The Nomination & Remuneration Committee was constituted in 1999 even before it was mandated by law.

### i) Terms of reference:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
- Recommend to the Board appointment and removal of such persons or extension of term of Independent Directors;
- Formulate criteria for determining qualifications, positive attributes and independence of a director;
- Devise a policy on Board diversity;
- Formulation of criteria for evaluation of directors, Board, Chairman & MD and the Board Committees;
- Carry out evaluation of the Board and Directors;
- Recommend to the Board a policy, relating to remuneration for the Directors, Key Managerial Personnel (KMP) and senior management;
- Administration of Employee Stock Option Schemes (ESOS).

### ii) Composition:

As at March 31, 2025, the Committee comprised 3 Independent Directors and the Chairman & Managing Director.

### iii) Meetings:

During the year ended March 31, 2025, 5 meetings of the Nomination & Remuneration Committee were held on May 8, 2024, July 24, 2024, October 30, 2024, January 30, 2025 and March 21, 2025. The attendance of Members at the meetings was as follows:

Name	Status	No. of meetings held during the year	No. of Meetings Attended
Mr. Adil Zainulbhai <sup>^</sup>	Chairman	1	1
Mr. Narayanan Kumar <sup>*</sup>	Chairman	5	5

Name	Status	No. of meetings held during the year	No. of Meetings Attended
Mr. Pramit Jhaveri	Member	5	5
Ms. Preetha Reddy <sup>§</sup>	Member	4	4
Mr. S. N. Subrahmanyam	Member	5	5

Meetings held during the year are expressed as number of meetings eligible to attend.

<sup>^</sup>Ceased to be a member of the Committee w.e.f May 28, 2024

<sup>\*</sup>Appointed as Chairman of the Committee w.e.f May 28, 2024

<sup>§</sup> Appointed as a member of the Committee w.e.f May 28, 2024

### iv) Board Membership Criteria:

The Committee, while screening, selecting and recommending to the Board new members, ensures objectivity, no conflict of interest, availability of diverse perspectives, business experience, legal, financial and other expertise, integrity, leadership and managerial qualities, practical wisdom, ability to read and understand financial statements, commitment to ethical standards and values of the Company.

While appointing/re-appointing any Independent Director/Non- Executive Director on the Board, the NRC considers the criteria as laid down in the Companies Act, 2013 and the SEBI LODR Regulations besides being guided by the Nomination and Remuneration Policy.

While evaluating the suitability of a director for re-appointment, besides the above criteria, the NRC considers Board evaluation results, attendance and participation in and contribution to the activities of the Board by the Director.

The Independent Directors satisfy and fulfill the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and all the applicable provisions of the SEBI LODR Regulations.

Each Independent Director gives a certificate confirming that they meet the "independence criteria" as mentioned in Section 149(6) of the Companies Act, 2013 and SEBI LODR Regulations.



The Board has taken on record the declaration and confirmation submitted by the Independent Directors and after assessing the veracity of the same, the Board is of the opinion that the Independent Directors fulfill the conditions specified in the SEBI LODR Regulations and are independent of the management.

These certificates have been placed on the website of the Company <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>

The role, responsibilities and duties of Independent Directors are set out in the letter of appointment issued to them. Copy of the draft letter of appointment issued to Independent Directors is available on the Company's website at <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>

#### **v) Remuneration Policy:**

The remuneration of Board members is determined by several key factors, including the Company's size, its global presence, and its overall economic and financial standing. Industry trends and compensation packages offered by peer companies also play a critical role in shaping the remuneration framework. The compensation structure is designed to reflect each Board member's individual performance and accountability, ensuring that their contributions are appropriately recognized and rewarded.

For Executive Directors, the level of compensation is carefully calibrated to be competitive, aligning with prevailing industry standards. This approach ensures that the Company can attract and retain top-tier talent, fostering a leadership team that is well-equipped to guide the Company towards achieving its strategic objectives. The remuneration policy thus serves as a vital component in the Company's strategy to maintain a strong governance framework, driving both organizational growth and shareholder value.

The Company pays remuneration to Executive Directors by way of salary, perquisites and retirement benefits (fixed components) and commission (variable component), stock options based on recommendation

of the NRC, approval of the Board and the shareholders. The commission payable is based on the overall performance of the Company, performance of the business / function as well as qualitative factors. The commission is calculated with reference to net profits of the Company in the financial year subject to overall ceilings stipulated under Section 197 of the Companies Act, 2013.

The Independent Directors / Non-Executive Directors are paid remuneration by way of commission and sitting fees. The Company pays sitting fees of ₹ 1,00,000/- per meeting of the Board and ₹ 75,000/- per meeting for Audit Committee, Nomination & Remuneration Committee and Board Risk Management Committee and ₹ 50,000/- per meeting for Stakeholders' Relationship Committee and CSR & Sustainability Committee, during the year. The commission is paid in accordance with the provisions of Section 197 of the Companies Act, 2013.

The commission to the Independent Directors / Non-Executive Directors is distributed broadly on the basis of their attendance, contribution at the Board, the Committee meetings and Chairmanship of Committees.

In the case of nominees of Financial Institutions, the commission is paid to the Financial Institutions.

As required by the provisions of Regulation 46 of the SEBI LODR Regulations, the criteria for payment to Independent Directors / Non-Executive Directors is made available on the investor page of our corporate website <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>

#### **vi) Performance Evaluation Criteria for Independent Directors:**

The performance evaluation questionnaire covers qualitative/ subjective criteria with respect to the board structure, culture, board processes and selection, effectiveness of the Board and Committees, strategic decision making, functioning of the Board and Committees, Committee composition, information availability, remuneration framework, succession planning, adequate participation, assessment of their independence etc. It also contains specific

criteria for evaluating the CMD and individual Directors. An external consultant is engaged to receive the responses of the Directors and consolidate/analyze the responses.

The Chairman of the NRC discusses the performance evaluation results with the CMD and Executive Directors and the CMD of the Company interacts with all the Non-Executive Directors and Independent Directors.

Key suggestions made by the Directors as part of the Board evaluation exercise of FY 2023-24 included board processes and related issues for enhanced board effectiveness. The Company has taken necessary actions on the suggestions given by the Board members viz. Board visits were arranged at major sites of the Company during FY 2024-25, strategic sessions were part of board meetings held in October 2024 & March 2025 and presentation was made on listed subsidiary activities.

Members are also requested to refer to page No. 385 of the Board Report.

## vii) Training & Succession Planning:

The Company places significant emphasis on the continuous growth of its workforce. It is committed to developing internal talent and capable leaders. To achieve this, the Company has established robust processes for creating and sustaining a leadership and talent pipeline through Development Centres (DC), its Leadership Development initiatives, and Talent Review Process. The process for identifying and nurturing high-potential employees through DC is designed to assess and groom future business leaders and the Technology Leadership Program (TLP) focuses on employees in specialized technical domains such as engineering design, construction methods, plant & machinery, precast and formwork. In FY 2024-25, over 1,500 employees were assessed through DC, and Individual Development Plan (IDP) were prepared to map their personalized growth journeys.

The Nomination & Remuneration Committee discusses matters relating to succession planning of Directors and senior officials of the Company.

For more details on training and succession planning, please refer to the Human Capital section of the Integrated Report.

## viii) Details of remuneration paid / payable to Directors for the year ended March 31, 2025:

### (a) Executive Directors:

The details of remuneration paid / payable to the Executive Directors for FY 2024-25 is as follows:

Names	Salary	Perquisites	Perquisites	Retirement Benefits	Commission	Total
		other than ESOP	related to ESOP*			
Mr. S. N. Subrahmanyam	3.96	2.53	15.88	12.30	41.58	76.25
Mr. R. Shankar Raman	2.40	1.61	–	7.60	25.73	37.33
Mr. M. V. Satish <sup>\$</sup>	0.04	0.66	–	30.63	0.18	31.50
Mr. Subramanian Sarma	2.19	1.30	12.05	6.63	22.37	44.55
Mr. S. V. Desai	1.35	0.94	4.54	4.22	14.29	25.34
Mr. T. Madhava Das	1.35	0.89	–	5.08	17.45	24.77
Mr. Anil V Parab	1.14	0.55	–	3.16	10.55	15.40

<sup>\$</sup> Ceased to be Whole-time Director with effect from April 7, 2024.

\* Represents perquisite value related to ESOPs exercised during the year in respect of stock options granted over the past several years by the Company and includes tax on ESOPs borne by the Company wherever applicable.

- Notice period for termination of appointment of Chairman & Managing Director, DMD and other Whole-time Directors is six months on either side.
- No severance pay is payable on termination of appointment.
- Details of Options granted under Employee Stock Option Schemes are provided on the website of the Company <https://investors.larsentoubro.com/listing-compliance-agm.aspx#>.

### (b) Non-Executive Directors:

The details of remuneration paid / payable to the Non-Executive Directors for FY 2024-25 is as follows:

Names	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Commission	Total
Mr. Adil Zainulbhai <sup>^</sup>	0.01	0.008	0.11	0.128
Mr. Sanjeev Aga	0.06	0.075	0.62	0.755
Mr. Narayanan Kumar	0.06	0.038	0.59	0.688
Mr. Hemant Bhargava <sup>#</sup>	0.01	–	0.05	0.060
Mrs. Preetha Reddy	0.06	0.030	0.43	0.520
Mr. Pramit Jhaveri	0.06	0.045	0.49	0.595

₹ crore

Names	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Commission	Total
Mr. Rajnish Kumar	0.06	0.070	0.59	0.720
Mr. Jyoti Sagar	0.05	0.015	0.33	0.395
Mr. Ajay Tyagi	0.06	0.020	0.45	0.530
Mr. P. R. Ramesh	0.06	0.060	0.79	0.910
Mr. Siddhartha Mohanty <sup>@</sup>	0.02	0.005	0.12	0.145

<sup>#</sup> Ceased to be a Director of the Company w.e.f May 27, 2024. Payable to the Institution he represents.

<sup>^</sup> Ceased to be a Director of the Company w.e.f May 28, 2024.

<sup>@</sup> Appointed as a Director of the Company w.e.f May 28, 2024. Remuneration is payable to the Institution he represents.

Details of shares of the Company held by the Directors and Key Managerial Personnel, as on March 31, 2025, are as follows:

Name	No. of Shares	Shareholding Percentage
Mr. S. N. Subrahmanyam	3,00,584	0.02
Mr. R. Shankar Raman	2,96,616	0.02
Mr. Subramanian Sarma	2,09,053	0.02
Mr. S. V. Desai	35,810	–
Mr. T. Madhava Das	16,265	–
Mr. Anil V. Parab	1,11,040	0.01
Mr. Sanjeev Aga	–	–
Mr. Narayanan Kumar	1,500	–
Mrs. Preetha Reddy	180	–
Mr. Pramit Jhaveri	20,550	–
Mr. Rajnish Kumar	100	–
Mr. Jyoti Sagar	100	–
Mr. Ajay Tyagi	100	–
Mr. P. R. Ramesh	100	–
Mr. Siddhartha Mohanty	–	–
Mr. Sivaram Nair A	10,384	–

### 3) Stakeholders' Relationship Committee:

#### i) Terms of reference:

The terms of reference of the Stakeholders' Relationship Committee are as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Review of Investor Relation activities.
- Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover & any other covenants.

#### ii) Composition:

As on March 31, 2025, the Stakeholders' Relationship Committee comprised 3 members including 1 Independent Director, 1 Non-Executive Director and 1 Executive Director.

#### iii) Meetings:

During the year ended March 31, 2025, 2 meetings of the Stakeholders' Relationship Committee were held on August 26, 2024 and December 3, 2024.

The attendance of Members at the Meetings was as follows:

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. Narayanan Kumar <sup>#</sup>	Chairman	–	–
Mr. Rajnish Kumar <sup>@</sup>	Chairman	2	2
Mr. Hemant Bhargava <sup>#</sup>	Member	–	–
Mr. Siddhartha Mohanty <sup>^</sup>	Member	2	1
Mr. T. Madhava Das	Member	2	2

<sup>#</sup> Ceased as a member of the Committee w.e.f May 27, 2024

<sup>@</sup> Appointed as a member and Chairman of the Committee w.e.f May 28, 2024

<sup>^</sup> Appointed as a member of the Committee w.e.f May 28, 2024

Company Secretary is the Compliance Officer of the Company.

#### iv) Number of Requests / Complaints:

The Company has redressed the investor grievances in a timely manner except for cases constrained by disputes or legal impediments.

During the year, the Company / its Registrar received the following complaints from SEBI / Stock Exchanges and queries from shareholders, which were resolved within the time frames laid down by SEBI.

Particulars	Opening Balance	Received	Resolved	Pending*
<b>Complaints:</b>				
SEBI / Stock Exchange	1	187	179	9
Shareholders	4	179	183	-
<b>Shareholder Queries:</b>				
Dividend Related	5	10,081	9,902	184
Transmission/ Others	100	4,880	4,904	76
Demat / Remat	3	1,333	1,325	11

\* Investor complaints / queries shown outstanding as on March 31, 2025 have been subsequently resolved to the complete satisfaction of the investors. The Company repeatedly sends reminders to shareholders regarding unclaimed shares and dividends. This results in an increase in the number of queries received.

Pursuant to the amendments in SEBI LODR Regulations, transfer of securities in physical form are not being processed by the Company. Further, all requests for transmission, transposition, issue of duplicate share certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate and consolidation of securities certificates/folios are being processed only in demat form. In such cases the Company issues a letter of confirmation, which needs to be submitted to Depository Participant to get credit of these securities in dematerialized form.

#### 4) Board Risk Management Committee:

##### i) Terms of reference:

The terms of reference of the Board Risk Management Committee are as follows:

- Review of the existing Risk Management Policy, framework and processes, Risk Management Structure and Risk Mitigation Systems. Broadly, the key risks will cover strategic risks of the group at the domestic and international level including sectoral developments, risk related to market, financial, geographical, political and reputational issues, Environment, Social and Governance (ESG) risks, etc.

- Evaluate risks related to cyber security.

The Committee periodically reviews the risk status to ensure that executive management mitigates the risks by means of a properly designed framework.

The Company also has an Apex Risk Management Committee, comprising of Executive Directors, which reviews the operational risks including client quality, manpower availability, logistic and other aspects which impact the Company and the Group.

##### ii) Composition:

As on March 31, 2025, the Board Risk Management Committee comprised 3 members including 2 Independent Directors and 1 Executive Director.

##### iii) Meetings:

During the year ended March 31, 2025, 2 meetings of the Board Risk Management Committee were held on April 10, 2024 and October 19, 2024. The attendance of Members at the Meetings was as follows:

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. Adil Zainulbhai®	Chairman	1	–
Mr. Sanjeev Aga§	Chairman	2	2
Mr. Pramit Jhaveri#	Member	1	1
Mr. Subramanian Sarma	Member	2	2

® Ceased as a member and Chairman of the Committee w.e.f May 28, 2024

§ Appointed as Chairman of the Committee w.e.f May 29, 2024

# Appointed as a member of the Committee w.e.f May 29, 2024

#### 5) CSR & Sustainability Committee:

##### i) Terms of reference:

The CSR & Sustainability (CSR) Committee has also been entrusted with the task of reviewing the sustainability initiatives of the Company. The CSR Committee also reviews the Business Responsibility and Sustainability Report of the Company.

The terms of reference of the Committee are as follows:

**A. Corporate Social Responsibility:**

- i. Formulate and recommend to the Board a Corporate Social Responsibility Policy and suggest any changes thereto.
- ii. Provide guidance for the development of annual CSR Action Plan.
- iii. Recommend the CSR annual budget to the Board for approval.
- iv. Monitor the implementation of the CSR Action Plan of the Company from time to time; and
- v. Identify and recommend to the Board the CSR projects that will qualify to be ongoing projects.

**B. Sustainability:**

- i. Formulate and recommend to the Board a Sustainability Policy and suggest any changes thereto.
- ii. Provide guidance for the development of the long-term Sustainability Plan; and
- iii. Monitor the implementation of the Sustainability Plan of the Company from time to time.

**ii) Composition:**

As on March 31, 2025, the CSR Committee comprised 4 members being 2 Independent Directors and 2 Executive Directors.

**iii) Meetings:**

During the year ended March 31, 2025, 4 meetings of the CSR Committee were held on May 27, 2024, August 16, 2024, December 2, 2024 and March 7, 2025.

The attendance of Members at the Meetings was as follows:

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. Ajay Tyagi	Chairman	4	4
Mr. R. Shankar Raman	Member	4	4

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. S. V. Desai	Member	4	4
Mr. Jyoti Sagar	Member	4	3

**iv) CSR Activities & Impact Assessment:**

The Company builds meaningful social impact while pursuing progress and driving inclusive growth. By aligning business goals with societal needs, the Company contributes to social change, fostering growth and well-being across India.

The Company's CSR programmes are well-entrenched, focusing on areas that align with the global and national matrices of development: Water & Sanitation, Health, Education and Skill Building.

The Company is leveraging its countrywide presence to reduce disparities through interventions in Water & Sanitation, Health, Education and Skill Building. Close interactions with the local community members have enabled the Company to identify and address their most pressing needs and the social interventions for community development have been specifically aligned.

The Company has carried out CSR programs in the following areas based on the need assessment:

- **Water & Sanitation:** For the availability of safe drinking water and proper sanitation facilities.
- **Education:** To improve access to education (increased enrollment in pre-school, children attending neighborhood schools), improving quality of learning (better school infrastructure, better teaching-learning process) and learning STEM (Science Technology Engineering and Math) subjects with fun and hands on experiments.
- **Health:** Improvement in access to quality health care (expanding infrastructure of health centres, increased number of people availing quality health care).
- **Skill development:** Enhancing employability of youth (enhancing

training capacity, improved infrastructure of skill development centres).

All CSR projects have defined goals and milestones which are tracked as per the periodicity defined for the project. The progress is compared with the baseline data that is gathered before the commencement of the project. This is carried out through an onsite evaluation as well as the reports generated from the project. The indirect impact that accrued are also factored and documented in the monthly reporting process. These are subsequently vetted / measured during the external Social Audit or Impact Assessment. The Social Audit/ Impact Assessment report is discussed during the CSR Committee meetings and it forms a part of Annexure C to this Board Report.

The detailed disclosures of CSR spending during the year have been given in Annexure 'C' forming part of this Board Report. Please refer to Pages 425 to 428 of this Integrated Annual Report.

## G. OTHER INFORMATION

### a) Directors' Familiarization Program:

The Directors of the Company are updated on changes/developments in the domestic/global markets and industry scenario through presentations made at Board, Committee meetings and interactions with senior company personnel. The directors are also updated about changes in statutes/legislations and economic environment, and on matters significantly affecting the Company, to enable them to take well informed and timely decisions. The Board meetings are also held in locations where the Company has operations to apprise the directors about its operations.

The internal newsletters of the Company, the press releases, etc. are circulated to all the directors so that they are updated about the operations of the Company.

Presentations are made regularly to the Board / NRC / AC / BRMC/ CSR / SRC where Directors get an opportunity to interact with senior managers. Minutes of these committees are also circulated to the Board. Presentations, *inter alia*, cover business strategies, management structure, HR policy, management development and succession planning, quarterly and annual results, budgets, treasury policy, review of internal

audit, risk management framework, operations of subsidiaries and associates, etc.

Independent Directors have the freedom to interact with the Company's Management. Interactions happen during Board/Committee meetings, when senior company personnel are asked to make presentations about performance of their Independent Company (IC)/Business Unit, to the Board.

As part of the appointment letter issued to Independent Directors, the Company has stated that it will facilitate attending seminars/programs/conferences designed to train directors to enhance their role as an Independent Director.

This information is also available on the website of the Company <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>

### b) Policy for determination of materiality of events or information

The Company has a policy for determination of materiality of events or information for disclosure to the stock exchanges. The policy has clearly defined guidelines and materiality thresholds in accordance with provisions of law for determination of materiality certain events or transaction or information with respect to the Company, its Subsidiaries and Associate Companies. The Company has also implemented a software application to assist its employees to report potential material event/information to authorised key managerial personnel. The Policy is available on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

### c) Vigil Mechanism / Whistle Blower Policy:

The Company has a Whistle Blower Policy in place since April 2004. The said policy was modified in line with the requirements of the Vigil Mechanism under the Companies Act, 2013 and subsequently in 2018 to include reporting of instances of leakage of unpublished price sensitive information as per SEBI (PIT) Amendment Regulations 2018. The Company has a Whistle Blower Investigation Committee (WBIC) to manage complaints from "Identified" Whistle Blowers. In addition, WBIC considers "Anonymous" complaints which in their judgement are serious in nature and require investigation. The WBIC has five members viz. Chief Financial Officer, Company Secretary, Head-Corporate HR, Chief Internal Auditor and a senior Finance & Accounts person from



business. The WBIC is responsible for end-to-end management of the investigations, from the time of receipt of complaints to bringing them to a logical conclusion, keeping in mind the interest of the Company. Suitable actions are taken against employees, wherever investigation confirms the allegations.

Employees are encouraged to report any acts of unacceptable behaviour inconsistent with the Company's Code of Conduct, having an adverse effect on the Company's financials/image and instances of sharing of unpublished price sensitive information. An employee can report any such conduct in oral or written form. Whistle-blowers are assured by the Management of full protection from any kind of harassment, retaliation, victimization, or unfair treatment.

Complaints under the Whistle Blower Policy are received by the Corporate Audit Services of the Company from various sources. The Chief Internal Auditor reviews the same and after screening the complaint, decides on the further course of action which will include requesting the complainant to provide further details, internal investigation by the CAS department, investigation by external agencies, wherever necessary, opportunity to the defendant to present his/her case, etc. Based on the findings of the investigation, the Corporate Audit Services takes the approval of WBIC for the action recommended by them to be taken.

The WBIC is appraised periodically on the complaints received, current status, actions contemplated and closure of the cases. The WBIC reviews the complaints and their progress. Queries by the WBIC members are immediately attended to by CAS and the implementation of the recommended actions are undertaken by the respective HR/Accounts Departments.

The policy provides for adequate safeguards against victimisation of persons who avail the same and provides for direct access to the Chairperson of the Audit Committee. The Audit Committee of the Company oversees the implementation of the Whistle-Blower Policy.

The Audit Committee is periodically briefed about the various cases received, the status of the investigation, findings and action taken, if any and a comprehensive update is provided semi-annually

which is presented and discussed at the Audit Committee Meeting. During the year, no person has been declined access to the Audit Committee, wherever desired.

The Company has a zero-tolerance policy towards breach of Code of Conduct and to this extent, the Company has built a robust framework around the Whistle Blower mechanism to actively address all complaints received.

The Company also has a separate Whistle Blower Policy for its vendors and channel partners. This policy provides all stakeholders an opportunity to report genuine concerns about unethical behaviour, improper practices, misconduct, any violation of legal or regulatory requirements, actual or suspected fraud without fear of punishment or unfair treatment. The details of the same are available on the Company's website <https://larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

**d) Statutory Auditors:**

For FY 2024-25, the total fees paid by the Company and its subsidiaries, on a consolidated basis, to Deloitte Haskins & Sells LLP and M S K A & Associates, Statutory Auditors and all entities in the network firm/network entity of which the statutory auditors are a part thereof for all the services provided by them is ₹ 11.95 crore and ₹ 2.74 crore respectively.

**e) Code of Conduct:**

The Company has laid down a Code of Conduct for all Board members and senior management personnel. The Code of Conduct is available on the website of the Company <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>. The declaration of the CMD is given below:

---

**To the Shareholders of Larsen & Toubro Limited**

Sub: Compliance with Code of Conduct

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board Members and Senior Management.

**S. N. Subrahmanyam**  
Chairman & Managing Director

Date: May 8, 2025  
Place: Mumbai

---

**f) General Body Meetings:**

The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Venue	Time
2023-2024	July 4, 2024	Meeting was held through Video Conferencing/ Other Audio-Visual Means	3:00 p.m.
2022-2023	August 9, 2023	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai – 400 020 and virtually at <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>	3.00 p.m.
2021-2022	August 4, 2022	Meeting was held through Video Conferencing/ Other Audio-Visual Means	3:30 p.m.

The following special resolutions were passed by the members during the past 3 Annual General Meetings:

**Annual General Meeting held on July 4, 2024:**

To amend the Articles of Association of the Company by deleting Article 107 pertaining to qualification shares.

**Annual General Meeting held on August 9, 2023:**  
None**Annual General Meeting held on August 4, 2022:**

To approve raising of capital through QIP's by issue of shares / convertible debentures / securities upto an amount of USD 600 million or ₹ 4,500 crore, whichever is higher.

**g) Resolution(s) passed through Postal Ballot:**

There was a Postal Ballot conducted by the Company during FY 2025, wherein all the resolutions were passed with requisite majority of votes. Details of the Resolutions passed through postal ballot during FY 2025 are given below.

Description of the resolution	Postal Ballot Notice date	Date of publication of voting results	Voting Pattern	
			Votes in favour	Votes against
Approval of material Related Party Transaction(s) with L&T-MHI Power Boilers Private Limited	January 30, 2025	March 10, 2025	96.44%	3.56%
Approval of material Related Party Transaction(s) with L&T-MHI Power Turbine Generators Private Limited			75.33%	24.67%

Mr. S. N. Ananthasubramanian, Practising Company Secretary, (M. No: FCS 4206, COP No. 1774) and failing him, Ms. Aparna Gadgil, Practising Company Secretary (M. No: ACS 14713, COP No. 8430), was appointed as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner. The detailed voting procedure mentioned in the postal ballot notice(s), the scrutiniser's report and the voting results are available on the website of the Company.

**h) Disclosures:**

- During the year, there were no transactions of material nature with the Directors or the Management or relatives or the subsidiaries that had potential conflict with the interests of the Company.
- Details of all related party transactions form a part of the accounts as required under IND AS 24 and the same are given in Note No. 47 forming part of the financial statements.
- The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the Financial Statements.
- The Company makes presentations to Institutional Investors and Equity Analysts on the Company's performance on a quarterly basis. These presentations are provided to the Stock Exchanges and also available on our website <https://investors.larsentoubro.com/Analyst-Presentation-Archives.aspx>
- There were no instances of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges on any matter related to the capital markets, during the last three years except as mentioned below:

National Stock Exchange of India Limited and BSE Limited vide their notices dated April 15, 2024, levied a fine of ₹ 10,000 each for delayed submission of intimation of Board meeting held on March 26, 2024 where the proposal of fund raising was approved. The Company has paid the said fine.

- The policies for determining material subsidiaries and transactions are available on the Company's website <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

7. Details of risk management including foreign exchange risk, commodity price risk and hedging activities form a part of the Management Discussion & Analysis. Please refer to pages 30 to 34 of this Integrated Annual Report.
8. As required under the provisions of SEBI LODR Regulations, a certificate confirming that none of the Directors on the Board have been debarred or disqualified by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority, obtained from M/s S. N. Ananthasubramanian & Co., Company Secretaries, is a part of this report.
9. Details in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 form a part of the Board's Report. Please refer to page 387 of this Integrated Annual Report.
10. The Company has not provided any loans or advances in the nature of loans to firms/ companies in which directors are interested.
11. The Company has not entered into any agreements with its related parties, directors, key managerial personnel, employees, employees of the subsidiary or associate company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

#### **i) Means of communication:**

Financial Results and other Communications	<p>Quarterly &amp; Annual Results are published in prominent daily newspapers viz. The Financial Express, Business Hindu Line &amp; Loksatta. The results are also posted on the Company's website: <a href="http://www.larsentoubro.com">www.larsentoubro.com</a>.</p> <p>Advertisements relating to IEPF, E-Voting, AGM related compliances, etc. are published in The Financial Express, The Indian Express &amp; Loksatta.</p>
--	--

News Releases	Official news releases that carry material information as per the Company's policy for determination of materiality of events or information, are sent to stock exchanges as well as displayed on the Company's website: <a href="http://www.larsentoubro.com">www.larsentoubro.com</a> .
Website	The Company's corporate website <a href="http://www.larsentoubro.com">www.larsentoubro.com</a> provides comprehensive information about its portfolio of businesses. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the stock exchanges. The entire Annual Report including Accounts of the Company and subsidiaries are available in downloadable formats.
Filing with Stock Exchanges	Information to Stock Exchanges is now being also filed online on NEAPS for NSE, BSE Online for BSE and RNS for London Stock Exchange.
Annual Report and Annual General Meeting	<p>Annual Report is circulated to all the members and all others like auditors, equity analysts, etc. To enable a larger participation of shareholders for the Annual General Meeting, the Company has provided Webcast facility at its last three Annual General Meetings in co-ordination with NSDL/ KFin Technologies. This year the Company will be conducting the Annual General Meeting through Audio Visual Means, as permitted by Ministry of Corporate Affairs. The Annual Report is e-mailed to all members who have registered their email ids with the Company and to those shareholders who request for the same. The Annual Report would also be made available on the website of the Company. The Chairman &amp; MD suitably responds to the queries raised by the shareholders during the AGM.</p> <p>A letter containing the weblink of the Integrated Annual Report for FY 2024-25, will be sent to those shareholders whose email addresses are not registered.</p>

SEBI Complaints Redress System (SCORES)/ Online Dispute Resolution (ODR) Portal:	<p>Investor complaints are processed at SEBI in a centralized web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status. The Company submits ATR on timely basis with respect to the complaints received from SCORES.</p> <p>In case any investor is still not satisfied with the outcome of the resolution, they can initiate dispute resolution through the ODR Portal.</p> <p>The ODR Portal has the necessary features and facilities to, <i>inter alia</i>, enrol the investor to file the complaint/dispute. Your Company has done necessary enrolment on the ODR Portal of the stock exchanges.</p>
Management Discussion & Analysis	This forms a part of the Annual Report which is mailed to the shareholders of the Company.
Presentations made to Institutional Investors and Analysts	The schedule of analyst / institutional investor meets and presentations made to them on a quarterly basis are informed to the Stock Exchanges and also displayed on the Company's website. The audio recordings and transcripts of these meetings are also uploaded on the Company's website and weblink for the same is intimated to the Exchanges.

#### j) Investor FAQs

FAQs regarding rights and benefits entitled to Shareholders are available on the Company's website at <https://investors.larsentoubro.com/Investor-FAQ.aspx>

### H. UNCLAIMED SHARES

The Company does not have any unclaimed shares lying with it from any public issue. However certain shares resulting out of the bonus shares issued by the Company are unclaimed by the shareholders. As required under Regulation 39(4) of the SEBI LODR Regulations, the Company has already sent reminders to the shareholders to claim these shares. These shares are released upon requests received from the eligible shareholders after due verification.

In accordance with the provisions of the Section 124(6) of the Companies Act, 2013 and Rule 6(3)(a) of the

Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has transferred to IEPF equity shares on which dividend has remained unclaimed for a period of seven consecutive years upto the financial year 2016-17. The details are given in the Board Report. Please refer to Page 386 & 387 of this Integrated Annual Report.

All corporate benefits on such shares viz. dividends, bonus shares, etc. shall be transferred in accordance with the provisions of IEPF Rules read with Section 124(6) of the Companies Act, 2013. The eligible shareholders are requested to note the same and make an application to IEPF Authority in accordance with the procedure available on [www.iepf.gov.in](http://www.iepf.gov.in) and submit such documents as prescribed under the IEPF Rules to claim these shares. Mr. Sivaram Nair A, Company Secretary & Compliance Officer, has been appointed as the Nodal officer of the Company.

### I. GENERAL SHAREHOLDER INFORMATION

#### a) Annual General Meeting:

The Annual General Meeting of the Company has been convened on Tuesday, June 17, 2025, at 3:00 pm (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"). Members can attend the AGM virtually through [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

#### b) Financial calendar:

1. Annual Results of 2024-25	May 8, 2025
2. Mailing of Annual Reports	Last week of May 2025
3. Annual General Meeting	June 17, 2025
4. First Quarter Results	During the last week of July 2025*
5. Payment of Dividend	On or before June 21, 2025*
6. Second Quarter results	During last week of October 2025*
7. Third Quarter results	During last week of January 2026*

\* Tentative

#### c) Record Date:

The Record date to determine the members entitled to the dividend for FY 2025 is Tuesday, June 3, 2025.

**d) Listing of equity shares / shares underlying GDRs on Stock Exchanges:**

The shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

GDRs are listed on Luxembourg Stock Exchange and admitted for trading on London Stock Exchange.

**e) Listing Fees to Stock Exchanges:**

The Listing fees for the FY 2025-26 to BSE & NSE have been paid in April 2025. The fees to London Stock Exchange and Luxembourg Stock Exchange have been paid in February 2025.

**f) Custodial Fees to Depositories:**

The fees to National Securities Depository Limited has been paid in May 2025. The fees to Central Depository Services (India) Limited (CDSL) shall be paid on the receipt of invoice.

**g) Stock Code / Symbol:**

The Company's equity shares / GDRs are listed on the following Stock Exchanges and admitted for trading in London Stock Exchange:

BSE Limited (BSE)	: Scrip Code - 500510
National Stock Exchange of India Limited (NSE)	: Scrip Code - LT
ISIN	: INE018A01030
Reuters RIC	: LART.BO
Luxembourg Exchange Stock Code	: 005428157
London Exchange Stock Code	: LTOD

The Company's shares constitute a part of BSE 30 Index of the BSE as well as NIFTY Index of the NSE.

**h) Stock market data for the FY 2024-25:**

Month	L&T BSE Price (₹)			BSE SENSEX		
	High	Low	Month Close	High	Low	Month Close
<b>2024</b>						
April	3,859.65	3,474.00	3,594.15	75,124.28	71,816.46	74,482.78
May	3,745.00	3,225.80	3,667.40	76,009.68	71,866.01	73,961.31
June	3,948.60	3,175.50	3,549.40	79,671.58	70,234.43	79,032.73
July	3,819.90	3,461.00	3,812.55	81,908.43	78,971.79	81,741.34
August	3,838.00	3,401.05	3,703.10	82,637.03	78,295.86	82,365.77
September	3,837.95	3,518.00	3,675.50	85,978.25	80,895.05	84,299.78

Month	L&T BSE Price (₹)			BSE SENSEX		
	High	Low	Month Close	High	Low	Month Close
October	3,724.00	3,262.95	3,624.40	84,648.40	79,137.98	79,389.06
November	3,759.95	3,452.95	3,725.90	80,569.73	76,802.73	79,802.79
December	3,963.00	3,552.35	3,608.00	82,317.74	77,560.79	78,139.01
<b>2025</b>						

January	3,724.00	3,396.05	3,567.20	80,072.99	75,267.59	77,500.57
February	3,628.80	3,141.30	3,164.75	78,735.41	73,141.27	73,198.10
March	3,528.00	3,153.65	3,491.00	78,741.69	72,633.54	77,414.92

Month	L&T NSE Price (₹)			NIFTY		
	High	Low	Month Close	High	Low	Month Close

<b>2024</b>						
April	3,860.00	3,472.40	3,594.30	22,783.35	21,777.65	22,604.85
May	3,744.80	3,225.20	3,669.30	23,110.80	21,821.05	22,530.70
June	3,919.90	3,175.05	3,548.45	24,174.00	21,281.45	24,010.60
July	3,822.00	3,460.00	3,815.00	24,999.75	23,992.70	24,951.15
August	3,838.95	3,511.50	3,704.65	25,268.35	23,893.70	25,235.90
September	3,838.80	3,516.40	3,675.55	26,277.35	24,753.15	25,810.85
October	3,724.00	3,262.55	3,622.30	25,907.60	24,073.90	24,205.35
November	3,761.00	3,452.45	3,724.80	24,537.60	23,263.15	24,131.10
December	3,963.50	3,550.00	3,607.65	24,857.75	23,460.45	23,644.80

<b>2025</b>						
January	3,724.10	3,395.00	3,567.40	24,226.70	22,786.90	23,508.40
February	3,629.20	3,141.00	3,163.85	23,807.30	22,104.85	22,124.70
March	3,528.00	3,153.05	3,492.30	23,869.60	21,964.60	23,519.35

**i) Registrar and Share Transfer Agents (RTA):**

KFin Technologies Limited  
Unit: Larsen & Toubro Limited  
Selenium Building, Tower-B, Plot No 31 & 32,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad, Rangareddy, Telangana - 500 032.

**j) Share Transfer System:**

Pursuant to SEBI notification dated January 24, 2022, requests for effecting transfer of securities in physical form, shall not be processed by the Company. The share related information is available online.

Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt.



**k) Distribution of Shareholding as on March 31, 2025:**

No. of Shares	Shareholders		Shareholding	
	Number	%	Number	%
upto 500	16,12,377	94.49	9,18,61,589	6.68
501 – 1000	46,233	2.71	3,36,89,237	2.45
1001 – 2000	25,575	1.50	3,57,47,323	2.60
2001 – 3000	8,618	0.50	2,10,79,423	1.53
3001 – 4000	3,741	0.22	1,29,45,944	0.94
4001 – 5000	2,345	0.14	1,05,47,366	0.77
5001 – 10000	4,039	0.24	2,79,83,597	2.04
10001 and above	3,336	0.20	114,13,37,686	82.99
<b>TOTAL</b>	<b>17,06,264</b>	<b>100.00</b>	<b>137,51,92,165</b>	<b>100.00</b>

**l) Categories of Shareholders is as under:**

Category	31.03.2025		31.03.2024	
	No. of Shares	%	No. of Shares	%
Financial Institutions	21,24,90,650	15.45	18,41,59,970	13.40
Foreign Institutional Investors	26,91,74,120	19.57	33,02,78,309	24.02
Shares underlying GDRs	1,56,44,404	1.14	1,88,37,260	1.37
Mutual Funds	27,11,21,158	19.72	24,20,78,635	17.61
Bodies Corporate & Qualified Institutional Buyers	9,85,23,938	7.16	9,48,47,826	6.90
Directors & Relatives	10,89,114	0.08	10,80,537	0.08
L&T Employees Trust	19,48,87,516	14.17	19,48,87,516	14.18
Others	31,22,61,265	22.71	30,84,98,566	22.44
<b>TOTAL</b>	<b>1,37,51,92,165</b>	<b>100.00</b>	<b>1,37,46,68,619</b>	<b>100.00</b>

**m) Dematerialization of shares & Liquidity:**

The Company's shares are required to be compulsorily traded in the Stock Exchanges in dematerialized form. The number of shares held in dematerialized and physical mode as on March 31, 2025 is as under:

Particulars	No. of shares	% of total capital issued
Held in dematerialized form in NSDL	128,48,31,483	93.43
Held in dematerialized form in CDSL	8,09,12,039	5.88
Physical	94,48,643	0.69
<b>Total</b>	<b>137,51,92,165</b>	<b>100.00</b>

**n) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

As on March 31, 2025, 1,56,44,404 GDRs were outstanding. These GDRs are backed up by underlying equity shares which are part of the existing paid-up capital.

**o) Listing of Debt Securities:**

The redeemable Non-Convertible debentures issued by the Company are listed on the Wholesale Debt Market (WDM) of National Stock Exchange of India Limited.

**p) Listing of Commercial Paper:**

The Commercial Papers issued by the Company are listed on Wholesale Debt Market Segment of BSE Limited.

**q) Debenture Trustees (for privately placed debentures):**

IDBI Trusteeship Services Limited  
Universal Insurance Building,  
Ground Floor, Sir P. M. Road,  
Fort, Mumbai – 400001

**r) Credit Rating:**

The Company has obtained rating from CRISIL Ratings Limited, ICRA Limited and India Ratings and Research Private Limited during FY 2024-25. There has been no revision in credit ratings during FY 2024-25. The ratings given by these agencies are as follows:

Rating Agency	Type of Instrument	Rating
CRISIL Limited	Non-Convertible Debentures	'CRISIL AAA/Stable'
	Bank Loan Facilities	'CRISIL AAA/Stable'
	Commercial Paper	'CRISIL A1+'
ICRA Limited	Non-Convertible Debentures Programme	'[ICRA] AAA (stable)'
	Commercial Paper	'[ICRA] A1+'
India Ratings and Research Private Limited	Non-Convertible Debentures	'IND AAA/ Stable'
	Commercial Papers	'IND A1+'

Further, Fitch Ratings on July 2, 2024 has assigned "BBB+ with stable outlook" Long-Term Foreign and Local-Currency Issuer Default Ratings (IDRs) to the Company. S&P Global Ratings vide its letter dated May 8, 2024 has assigned "BBB+ with stable outlook" long-term issuer credit rating to the Company.

**s) Plant Locations:**

The L&T Group's facilities for design, engineering, manufacture, modular fabrication and production are based at multiple locations within India including, Bengaluru, Chennai, Coimbatore, Faridabad, Hazira (Surat), Kattupalli (near

Chennai), Kanchipuram, Mumbai, Pithampur, Puducherry, Rajpura, Kansbahal (Rourkela), Talegaon, Vadodara and Visakhapatnam. L&T's international manufacturing footprint covers Oman, Saudi Arabia and USA. The L&T Group also has an extensive network of offices in India and around the globe. See page No. 18 of this Integrated Annual Report for details of the plant locations.

**t) Address for correspondence:**

Larsen & Toubro Limited,  
L&T House, Ballard Estate,  
Mumbai - 400 001.  
Tel. No. (022) 6752 5656,  
Fax No. (022) 6752 5858

Shareholder correspondence may be directed to the Company's Registrar and Share Transfer Agent, whose address is given below:

KFin Technologies Limited  
Unit: Larsen & Toubro Ltd  
Selenium Building, Tower-B, Plot No 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally, Hyderabad, Rangareddy,  
Telangana, India - 500 032.  
Toll Free Number: 1800 3094 001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

KFin Technologies Limited  
Unit: Larsen & Toubro Ltd  
6/8 Ground Floor, Crossley House,  
Near Bombay Stock Exchange,  
Next Union Bank, Fort, Mumbai.  
Pin code: 400 001  
Phone: 022-46052082

**u) Investor Grievances:**

The Company has designated an exclusive e-mail id viz. [IGRC@LARSENTOUBRO.COM](mailto:IGRC@LARSENTOUBRO.COM) to enable investors to register their complaints, if any.

**v) Securities Dealing Code:**

The objective of the Securities Dealing Code ('Code') is to prevent purchase and / or sale of shares of the Company by an Insider based on unpublished price sensitive information. Under this Code, Designated Persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. Directors and designated employees who

buy and sell shares of the Company are prohibited from executing contra-trades during the next six months following the prior transactions.

The Company has a policy for acting against Directors and employees who violate the SEBI PIT Regulations/Code. Pursuant to the amendments of the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2024, the Company has suitably modified the provisions of the Code which are effective from 12th March 2025.

Mr. Sivaram Nair A, Company Secretary has been designated as the Compliance Officer.

The Company has appointed Mr. P. Ramakrishnan, Executive Vice President (Corporate Accounts, Taxation & Investor Relations), as Chief Investor Relations Officer. The Company also formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on Company's Website <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

**w) Stakeholders Engagement:**

The Company recognizes that its stakeholders form a vast and heterogeneous community. Our customers, shareholders, employees, suppliers, community, etc. have been guideposts of our decision-making process. The Company engages with its identified stakeholders on an ongoing basis through business level engagements and structured stakeholder engagement programs. The Company maintains its focus on delivering value to all its stakeholders, especially the disadvantaged communities.

The Company has a dedicated Corporate Brand Management & Communications department which facilitates an on-going dialogue between the Company and its stakeholders. The communication channels include:

- For external stakeholders - Stakeholder engagement sessions, client satisfaction surveys, shareholder satisfaction assessment, analyst / investors meet, periodic feedback mechanism, general meeting for shareholders, online service and dedicated e-mail service for grievances, corporate website, etc.
- For internal stakeholders – Employee satisfaction surveys, employee engagement surveys for improvement in employee engagement processes, circulars and

messages from management, corporate social initiatives, welfare initiatives for employees and their families, online news bulletins for conveying topical developments, large bouquet of print and online in-house magazines, helpdesk facility, etc.

Each of the businesses have their internal mechanisms to address the grievances of its stakeholders. In addition, at the corporate level, there are committees which can be approached if the stakeholders are not satisfied with the functioning of such internal mechanisms. As part of the vigil mechanism, the Whistle Blower Policy provides access to the Chairperson of the Audit Committee. The Whistle Blower Policy for Vendors & Channel Partners is displayed on the website of the Company <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

For more information regarding the initiatives undertaken by the Company to engage with its stakeholders please refer to the Relationship Capital section of the Integrated Report and disclosures given under Principle 4 of the Business Responsibility and Sustainability Report.

**x) Supplier/Contractor management:**

The Company strives to foster responsible behaviour in the supply chain in accordance with the highest standards of ethics and integrity, respect for the law, human and labour rights, and environmental protection. Various initiatives undertaken by the Company in this regard are given below:

- Mandatory signing of Code of Conduct as a part of vendor onboarding process, laying down minimum requirements for ESG compliance.
- Evaluation of key suppliers on ESG parameters.
- Conducting awareness programmes for vendors and suppliers.

For more information regarding supplier/contractor management please refer to Relationship Capital section of the Integrated Report.

**y) Awareness Sessions / Workshops on Governance practices:**

Employees across the Company as well as the group are being sensitized about the various policies and governance practices of the

Company. The Company has designed in-house training workshops on Corporate Governance with the help of an external faculty covering basics of Corporate Governance as well as internal policies and compliances under Code of Conduct, Whistle Blower Policy, Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, SEBI (Prohibition of Insider Trading) Regulations, 2015, etc.

The Company has established a scalable, multi-featured and externally integrated digital learning platform called ATLNext. It offers a gamut of online courses including competency courses, behavioural courses, and business-specific technical courses. ATLNext also provides for a course on Governance where employees can learn about Governance practices and give a self-assessment test after completion of the course.

The Company has created a batch of trainers across businesses who in turn conduct training / awareness sessions within their business regularly.

**z) Anti-bribery and Anti-corruption policy:**

The Company has adopted the Anti-Bribery and Anti-Corruption (ABAC) Policy which acts as a guiding framework for ensuring compliance with various legislations and standards of behaviour to which the Company and all its officials must adhere to. This Policy is applicable to all employees of the Company working at all levels and is widely disseminated across the Company. The Policy is also available on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

**aa) ISO 9001:2015 Certification:**

The Company's Secretarial Department which provides secretarial services and investor services for the Company and its Subsidiaries and Associate Companies is ISO 9001:2015 certified.

**bb) Audit as per SEBI requirements:**

As stipulated by SEBI, M/s. S. N. Ananthasubramanian & Co., Company Secretaries, Secretarial Auditors of the Company carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit has provided a reconciliation of total Listed and Paid-up capital

is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

The Secretarial Department of the Company at Mumbai is manned by competent and experienced professionals. The Company has a system to review and audit its secretarial and other statutory compliances by competent professionals. Appropriate actions are taken to continuously improve the quality of compliance.

**cc) Secretarial Audit:**

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Regulation 24A of SEBI LODR Regulations, M/s. S. N. Ananthasubramanian & Co., Company Secretaries, conducts the secretarial audit of the compliance of applicable statutory provisions and the adherence of good corporate practices by the Company.

Pursuant to the SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019 and as per the NSE and BSE circulars dated March 16, 2023, the Company has obtained an annual secretarial compliance report from M/s. S. N. Ananthasubramanian & Co., Company Secretaries and shall submit the same to the Stock Exchanges within the prescribed timelines.

**dd) Statutory Compliance System:**

The Company has in place system to ensure compliance with applicable laws, rules and regulations. These comprise of Central and State Acts / Rules where the Company carries on business. The list of applicable laws is reviewed by an External Consultant along with the Legal & Finance & Accounts functions of each Business.

Each IC / Business head certifies compliance of all applicable laws by the IC on a quarterly basis. Based on these confirmations, the Company Secretary gives a compliance certificate to the Board of Directors. The Company verifies the compliances through a random review of the process / system / documentation with the Business / Corporate function.

The Company has a web-based portal known as "iCompliance portal", which enables to monitor the regulatory compliance performance, remediation plans for non-conformities. This portal also helps to maintain updated list of applicable laws and compliance checklist(s) which are monitored & tracked through the portal.

The Company also engages external consultants to prepare as well as review compliance checklists for the new geographies and update the existing checklist(s) of compliances. Compliance tasks are mapped on iCompliance portal to process owners who update the status with supporting evidence. Identified key stakeholders across functions ensure and confirm compliance with the provisions of all applicable laws on a regular basis.

**ee) Group Governance Policy:**

SEBI vide its circular dated May 10, 2018, has introduced the concept of Group Governance Unit. The circular expects listed companies to monitor their governance through a Governance Committee and establishment of a strong and effective group governance policy.

"Corporate Governance" in the Company and its subsidiaries broadly includes strategic supervision by the Board and its Committees, compliance of Code of Conduct, Statutory Compliance including compliance of Companies Act / applicable SEBI Regulations, avoiding conflict of interest, Risk Management, Internal Controls and Audit.

The Company has three listed entities (the "Listed Subsidiaries") within the group. Each of the Listed Subsidiaries have their own Board and Board Committees in compliance with the Companies Act, 2013 and SEBI LODR Regulations. The oversight of their subsidiaries is as per Companies Act, 2013 and SEBI LODR Regulations. The Board Report and its annexures of the Listed Subsidiaries contains various disclosures dealing with subsidiary companies.

All the Listed Subsidiaries have atleast one Executive Director of the Company and L&T Technology Services Limited and LTIMindtree Limited have one Independent Director of the Company on its Board. Any financial assistance to the above companies or purchase/sale by the Company of their shares, is dealt with by the Company's Board.

These Listed Subsidiaries publish their Independent Auditor's certificate on Corporate Governance, Secretarial Audit Report of Practising Company Secretary and CEO/CFO's certificate for internal controls for financial reporting.

The Company has entered into brand/trademark licensing agreement with its equity listed subsidiaries and fees are charged based on turnover/profits/assets.

Responsibility of the Company's corporate team in the areas of statutory compliance (including corporate laws), Risk Management, Internal Controls and Internal Audit, covers all unlisted subsidiaries. The Listed Subsidiaries have their own teams to carry out these functions.

The ICs have separate internal teams to oversee their legal and compliance functions. All Subsidiary Companies associated with the respective ICs are reviewed by their respective IC leadership.

The subsidiary companies also function independently and have separate Boards which consists of representatives of the Company, who are senior executives of the Company, representatives of Joint Venture partners, representative of the Company's Board as well as Independent Directors as required by law. As per law, these companies, wherever required, also have Audit Committee, Nomination & Remuneration Committee, CSR Committee, Stakeholders' Relationship Committee and Risk Management Committee.

Certain unlisted subsidiaries have Executive Directors of the Company on their Board. The subsidiary companies' performance is reviewed by the Company's Board periodically (included in quarterly results presented to the Company's Board). F&A heads of some of the subsidiary companies functionally report to select senior finance officers of the Company.

Thus, the overall functioning of these Subsidiary companies is monitored by the Group directly or through their respective IC's.

A voluntary Secretarial Audit is conducted for all subsidiary companies, including foreign companies and companies which are not covered under the purview of Companies Act, 2013. Thus, there is

an audit of the compliance of applicable statutory provisions and governance practices.

The Company's Code of Conduct (Code) is required to be adhered by all unlisted group companies covering employees, directors, suppliers, contractors, etc. In addition to this, the subsidiaries also have their own vigil mechanism, if they meet the thresholds given in the Companies Act. The Audit Committee/Board of these companies monitor this mechanism. The Vigil Mechanism Framework to report breach of code is a structured process, which encourages and facilitates all covered, to report without fear, wrongdoings or any unethical or improper practice which may adversely impact the image, credibility and/or the financials of the company, through an appropriate forum.

The Secretarial Department of the Company has qualified Company Secretaries (CS) with experience in the field of compliance and law. It consists of fulltime professionals dedicated to performing corporate secretarial and subsidiary governance duties. Qualified CS in secretarial department monitor the compliance related to subsidiaries under Companies Act / Rules made thereunder. The Company's Secretarial Department develops a broad Governance policy for the Company and its group of subsidiaries.

The Company's Secretarial Department is involved in all major corporate actions of the subsidiaries like raising of capital, restructuring, major financial assistance to subsidiaries etc.

Appropriate disclosures related to subsidiaries are made in Financial Statements / Directors' Report of the Company as well as its subsidiaries as per Companies Act, 2013 / applicable SEBI Regulations and applicable Accounting Standards. All companies are subject to Statutory Audit and applicable Secretarial Audit.



# Independent Auditor's Certificate on Corporate Governance

**TO THE MEMBERS OF  
LARSEN & TOUBRO LIMITED**

## **INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

1. This certificate is issued in accordance with the terms of our engagement letter dated September 30, 2024.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Larsen & Toubro Limited (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "Listing Regulations").

### **Management's Responsibility**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### **Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the

Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2025.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Terence Lewis**  
Partner  
(Membership No. 107502)  
UDIN: 25107502BMIBCQ9553

Place: Mumbai  
Date: May 8, 2025



# Secretarial Auditor's Certificate in respect of the Implementation of Employee Stock Option Schemes of the Company

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,  
**The Members,**  
**Larsen & Toubro Limited**  
CIN: L99999MH1946PLC004768  
L&T House, Ballard Estate,  
Mumbai - 400001

## BACKGROUND

1. This Certificate is issued in accordance with the terms of our engagement dated June 27, 2024.
2. We, Secretarial Auditor of Larsen & Toubro Limited ("the Company"), pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the Regulations") are required to certify that, for the Financial Year ended March 31, 2025, the Employees Stock Option Schemes, Larsen & Toubro Limited Employee Stock Ownership Scheme – 2003 and Larsen & Toubro Limited Employee Stock Option Scheme – 2006 (collectively referred to as "the Schemes") have been implemented in accordance with the Regulations and in accordance with the Special Resolutions passed at the General Meetings held on August 26, 1999, August 22, 2003 and August 25, 2006, respectively (the "Resolutions")

## MANAGEMENT RESPONSIBILITY

3. It is the responsibility of the Management of the Company to implement the Schemes including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

## AUDITOR'S RESPONSIBILITY

4. It is our responsibility to certify whether the Company has complied with the applicable provisions of the Regulations and the Resolutions, during the year ended March 31, 2025, in implementing the Schemes on the basis of information compiled or collated by the Management and the accounting and other relevant supporting records and documents provided to us for our examination.
5. We have conducted our examination and obtained the explanations in accordance with Referencer on

SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the ICSI Auditing Standards, issued by the Institute of Companies Secretaries of India.

## VERIFICATION

6. We have verified the following:
  - (a) the Schemes;
  - (b) the Resolutions;
  - (c) Note on Accounting Treatment followed by the Company.

## CERTIFICATION

7. Based on our verification of the records and documents maintained by the Company as aforesaid and according to the information, explanations and written representations provided to us, we certify that the Company has complied with the applicable provisions of the Regulations and the Resolutions in implementing the Schemes during the year ended March 31, 2025.

## RESTRICTION ON USE

8. This Certificate is addressed to and provided to the Members of the Company solely for the purpose of compliances with Regulation 13 of the Regulations. This Certificate should not be circulated, copied, used / referred to for any other purpose, without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care of for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **S. N. ANANTHASUBRAMANIAN & Co.**

*Company Secretaries*

*ICSI Unique Code: P1991MH040400*

*Peer Review Cert. No.: 5218/2023*

**S. N. Ananthasubramanian**

*Founding Partner*

*FCS: 4206 | COP No.: 1774*

*ICSI UDIN: F004206G000295068*

*Date: May 8, 2025*

*Place: Thane*

## Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
**The Members of  
Larsen & Toubro Limited**  
L&T House, Ballard Estate,  
Mumbai - 400001

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of the Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interest as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

as submitted by the Directors of **Larsen & Toubro Limited** ('the Company') bearing CIN: L99999MH1946PLC004768 and having its registered office at L&T House, Ballard Estate, Mumbai - 400001, to the Board of Directors of the Company ('the Board') for the **Financial Year 2024-25** and **Financial Year 2025-26** and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that during the **Financial Year ended March 31, 2025**, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1)	Mr. Sekharipuram Narayanan Subrahmanyam	02255382	01-07-2011	—
2)	Mr. Ramamurthi Shankar Raman	00019798	01-10-2011	—
3)	Mr. Maddur Venkata Rao Satish	06393156	29-01-2016	07-04-2024
4)	Mr. Subramanian Sarma	00554221	19-08-2015	—
5)	Mr. Sudhindra Vasantrao Desai	07648203	11-07-2020	—
6)	Mr. Tharayil Madhava Das	08586766	11-07-2020	—
7)	Mr. Anil Vithal Parab	06913351	05-08-2022	—
8)	Mr. Adil Siraj Zainulbhai	06646490	30-05-2014	28-05-2024
9)	Mr. Sanjeev Aga	00022065	25-05-2016	—
10)	Mr. Narayanan Kumar	00007848	27-05-2016	—
11)	Mr. Hemant Bhargava	01922717	28-05-2018	27-05-2024
12)	Mrs. Preetha Reddy	00001871	01-03-2021	—
13)	Mr. Pramit Jhaveri	00186137	01-04-2022	—

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
14)	Mr. Rajnish Kumar	05328267	10-05-2023	—
15)	Mr. Jyoti Sagar	00060455	10-05-2023	—
16)	Mr. Ajay Tyagi	00187429	31-10-2023	—
17)	Mr. P.R. Ramesh	01915274	31-10-2023	—
18)	Mr. Siddhartha Mohanty	08058830	28-05-2024	-

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the Financial Year ended March 31, 2025.

For **S. N. ANANTHASUBRAMANIAN & Co.**

*Company Secretaries*

*ICSI Unique Code P1991MH040400*

*Peer Review Cert. No. 5218/2023*

**S. N. Ananthasubramanian**

*Founding Partner*

*FCS: 4206 | COP No. : 1774*

*ICSI UDIN: F004206G000295035*

*Date : May 8, 2025*

*Place : Thane*

**To  
The Board of Directors of  
Larsen & Toubro Limited**

Dear Sirs,

**Sub: CEO / CFO Certificate**

**[Issued in accordance with provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

We have reviewed the consolidated financial statements, read with the consolidated cash flow statement of Larsen & Toubro Limited for the year ended March 31, 2025 and that to the best of our knowledge and belief, we state that;

1. (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;  
(ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
2. There are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there were no significant changes in internal controls over financial reporting during the year;
  - (ii) that there were no significant changes in accounting policies made during the year; and
  - (iii) that there were no instances of significant fraud of which we have become aware.

Yours sincerely,

**R. Shankar Raman**  
*President, Whole-time  
Director & CFO  
DIN: 00019798*

**S. N. Subrahmanyam**  
*Chairman &  
Managing Director  
DIN: 02255382*

*Date: May 8, 2025  
Place: Mumbai*

# Annexure 'C' to the Board's Report

## ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED MARCH 31, 2025

### 1. Brief outline on CSR Policy of the Company

L&T strives to promote initiatives that enhance the quality of life for communities to achieve inclusive growth through empowerment and work towards social equity. CSR at L&T has been working towards social and economic development of communities across the country. The Company has a well-entrenched CSR program that contributes to inclusive growth and accelerating development through interventions in Water & Sanitation, Health, Education and Skill Development.

The Company's CSR Policy details mechanisms for undertaking various programs in accordance with Section 135 of the Companies Act, 2013 (the Act) for the benefit of the community.

The Company's primary focus is on '**Building India's Social Infrastructure**' as part of its CSR programme including, amongst others, the following:

- **Water & Sanitation** – includes but not limited to watershed development - access to water, promoting rainwater harvesting, soil and moisture conservation, enhancing ground water levels by facilitating setting up of community-based institutions such as village development committees, Self-help groups, farmer groups and community management of water resources for improving conditions related to sanitation, health, education, and livelihoods of communities through an integrated approach.
- **Education** - includes but not limited to education infrastructure support to educational Institutions, educational programs and nurturing talent at various levels. Promoting learning enhancement amongst children, both in schools and in communities through interventions in pre-school education, innovative teaching methodology and training teachers in schools, providing interesting "teaching learning material", with special focus on Science, Technology Engineering and Maths (STEM) subjects.

This is achieved through support to Balwadis and Anganwadis, strengthening the in-school interventions and providing after school study classes in the community. A renewed focus on kindling curiosity and scientific temper amongst students through experiential learning is deployed through the STEM programme which also focuses on training teachers to deploy imaginative pedagogy in the classroom.

- **Health** - includes but not limited to community health centres, mobile medical vans, dialysis centres, general and specialized health camps and outreach programs, support to HIV / AIDS and Tuberculosis control programs. A renewed impetus was provided to improve health awareness and promote health seeking behaviour in communities.
- **Skill Development** - includes but not limited to vocational training such as skill building, computer training, women empowerment, support to ITI's, support to specially abled (infrastructure support & vocational training), Construction Skills Training Centres and providing employability skills to women and youth.

In line with the 'Skill India Mission', initiatives such as digitization of curriculum, deploying hands-on-teaching learning methodology and providing platform skills training to Master Trainers through the Skill Training Institute provided an impetus to the skilling ecosystem within the Country.

Governance, Technology and Innovation are the Key enabling factor across these verticals.

## 2. Composition of CSR & Sustainability Committee.

The CSR & Sustainability Committee of the Board comprised of:

Sl No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during FY25	Number of meetings attended
1	Mr. Ajay Tyagi	Chairman (Independent Director)	4	4
2	Mr. R. Shankar Raman	Member (Whole-time Director)	4	4
3	Mr. S. V. Desai	Member (Whole-time Director)	4	4
4	Mr. Jyoti Sagar	Member (Independent Director)	4	3

Company Secretary & Compliance Officer of the Company, acts as the Secretary of the Committee.

## 3. Web-link where Composition of CSR committee, CSR Policy and CSR Annual Action Plan for FY 2024-25 approved by the Board are disclosed on the website of the Company.

The composition of CSR & Sustainability Committee, CSR Policy Framework and CSR Annual Action Plan for FY 2024-25 approved by the Board are available in the Corporate Governance section on the website of the Company and can be viewed through the following links:

- Composition of CSR Committee - <https://investors.larsentoubro.com/governance-architecture.aspx>
- CSR Policy - <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>
- CSR FY 2024-25 Annual Action Plan - <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>

## 4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

27 CSR Projects which were implemented in FY2022-23, qualified for impact assessment in FY 2024-25. Accordingly, the assessment of the aforesaid projects were carried out by **Thinkthrough Consulting** during FY 2024-25.

The Impact Assessment reports are made available on the website of the Company at <https://investors.larsentoubro.com/listing-compliance-agm.aspx>

An executive summary of the key findings from Thinkthrough Consulting is provided below:

The assessment was conducted using a mixed-methods approach, incorporating both quantitative and qualitative data to ensure a well-rounded understanding of program performance. The evaluation was guided by the Development Assistance Committee (DAC) criteria developed by the Organisation for Economic Co-operation and Development (OECD), focusing on five key dimensions: relevance, effectiveness, efficiency impact and sustainability. This framework allowed for a systematic evaluation of L&T's initiatives, measuring their alignment with community needs, implementation outcomes, long-term benefits, and potential for enduring change.

In terms of **relevance**, the programs demonstrate strong alignment with national priorities and multiple Sustainable Development Goals (SDGs), including SDG 1 (No Poverty), SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 6 (Clean Water and Sanitation), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 10 (Reduced Inequalities), SDG 11 (Sustainable Cities and Communities), and SDG 12 (Responsible Consumption and Production). The initiatives address pressing community needs while supporting government schemes and the broader development agenda.

In terms of **effectiveness**, the programs have been effective in enhancing inclusive access to essential services. This includes accessible healthcare, education, skills training, improved sanitation and hygiene and strengthened infrastructure. These interventions have contributed to holistic community development by ensuring that key social determinants of well-being are improved through systematic implementation and community engagement.

The projects have positively impacted approximately 5.5 lakh people across key areas of livelihood, education, healthcare, and sustainability. Around 16,000 individuals received vocational training in construction and other trades, significantly improving incomes, with many now earning up to ₹ 20,000 per month. Educational initiatives reached nearly 64,000 students, enhancing learning outcomes through improved infrastructure, STEM exposure, and teaching support. In healthcare, 4.5 lakh people gained access to essential services. Additionally, over 10,000 individuals benefited from soil & water conservation, sanitation, and health interventions, resulting in a 75% increase in farmers cultivating both Kharif and Rabi seasons, demonstrating enhanced food security and sustainable agricultural practices.



The projects exhibit **efficiency**. All the projects were able to meet their targets well within the stipulated time frame. The robust processes set to implement projects led to greater efficiency. By and large the projects were able to achieve targets in the funds allocated for each of the projects. No financial spill over was observed. The projects were implemented by skilled and experienced teams. Meticulous planning in terms of team structures lead to projects being implemented efficiently.

The interventions had a tangible and positive **impact** on the lives of participants and their communities. Beneficiaries have experienced improved quality of life through better livelihood opportunities, increased income and savings, and greater access to education, healthcare, and knowledge for sustainable living. Additionally, improved health and hygiene practices have led to a reduction in diseases and related issues, further enhancing community well-being and resilience.

In terms of **sustainability**, the participatory approach adopted across programs has empowered local communities to take ownership of initiatives. This local involvement has created a multiplier effect, with positive practices being shared and replicated across neighbouring communities, laying the foundation for long-term sustainability.

Relevance to community and policy priorities, effective implementation, meaningful impact, and sustainable design form the backbone of successful CSR programming. The initiatives have not only improved immediate outcomes for beneficiaries but have also catalysed broader societal development and positive change.

	₹ Crore
5. a) Average net profit of the Company as per sub-section (5) of section 135 for the previous three financial years.	8,230.61
b) Two percent of average net profit of the Company as per sub-section (5) of section 135 [2% of (a)].	164.61
c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years.	–
d) Amount required to be set-off from the excess spend of previous financial years, during the financial year 2024-25, if any.	12.66
e) Total CSR obligation for the financial year 2024-25 [(b)+(c)-(d)].	151.95
	₹ Crore
6. a) Amount spent on CSR Projects (other than Ongoing Project)	155.45
b) Amount spent in Administrative Overheads	7.77
c) Amount spent on Impact Assessment, if applicable	0.43
d) Total amount spent for the Financial Year 2024-25 [(a)+(b)+(c)].	163.65
e) CSR amount spent or unspent for the Financial Year 2024-25:	

Total Amount Spent for the Financial Year 2024-25 (in ₹ crore)	Amount Unspent (in ₹ crore)			
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135	
	Amount	Date of transfer	Name of the Fund	Amount
163.65	NIL			NIL

f) Excess amount for set-off, if any:

Sl. No	Particulars	Amount (in ₹ crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	164.61
(ii)	Total amount spent for the Financial Year 2024-25 @	176.31
(iii)	Excess amount spent for the Financial Year 2024-25 [(ii)-(i)]	11.70
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	11.70

@ this includes ₹ 12.66 crore excess CSR amount spent during FY 2023-24 and adjusted against the required CSR spend for FY 2024-25.

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub- section (6) of Section 135 (in ₹ crore)	Balance Amount in Unspent CSR Account under Sub- section (6) of Section 135 (in ₹ crore)	Amt. Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Sub- section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹ crore)	Deficiency, if any
					Amount (in ₹ crore)	Date of Transfer		
1	FY 2021-22							
2	FY 2022-23				<b>NOT APPLICABLE</b>			
3	FY 2023-24							

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**
☒ YES ☐ NO

If Yes, enter the number of capital assets created/ acquired: 1,339

**Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Details of capital assets created or acquired through Corporate Social Responsibility amount is available on the Company's website <https://investors.larsentoubro.com/listing-compliance-agm.aspx>.

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.**

**NOT APPLICABLE**

For **Larsen & Toubro Limited**

**S. N. Subrahmanyam**

Chairman & Managing Director  
DIN: 02255382

**Ajay Tyagi**

Chairman - CSR & Sustainability Committee  
DIN: 00187429

Date : May 8, 2025

Place : Mumbai

## Annexure 'D' to the Board's Report

**A. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY 2024-25, the percentage increase in remuneration of each Director & Key Managerial Personnel (KMP) during FY 2024-25 and comparison of the remuneration of each of the Director/KMP against the performance of the Company:**

₹ crore

Name of the Director/KMP	Designation	Total Remuneration	Ratio of remuneration of director to the median remuneration **	Percentage increase in Remuneration
Mr. S. N. Subrahmanyam	Chairman & Managing Director	76.25	714.16	49.36
Mr. R. Shankar Raman	President, Whole-time Director & CFO	37.33	349.69	17.93
Mr. M. V. Satish <sup>§</sup>	Whole-time Director & Senior Executive Vice President (Buildings)	31.50	—	—
Mr. Subramanian Sarma	Deputy Managing Director & President	44.55	417.27	20.29
Mr. S. V. Desai	Whole-time Director & Sr. Executive Vice President (Civil Infrastructure)	25.34	237.39	31.88
Mr. T. Madhava Das	Whole-time Director & Sr. Executive Vice President (Utilities)	24.77	231.97	32.23
Mr. Anil V Parab	Whole-Time Director & Sr. Executive Vice President (Heavy Engineering & L&T Valves)	15.40	144.19	22.96
Mr. Adil Zainulbhai <sup>®</sup>	Independent Director	0.13	7.55	—
Mr. Sanjeev Aga	Independent Director	0.75	7.02	43.43
Mr. Narayanan Kumar	Independent Director	0.68	6.41	29.54
Mr. Hemant Bhargava <sup>*#</sup>	Nominee of Life Insurance Corporation of India (LIC)	0.06	3.65	—
Mrs. Preetha Reddy	Independent Director	0.52	4.87	139.63
Mr. Pramit Jhaveri	Independent Director	0.59	5.54	60.56
Mr. Jyoti Sagar	Independent Director	0.40	3.73	83.41 <sup>++</sup>
Mr. Rajnish Kumar	Independent Director	0.72	6.78	233.64 <sup>++</sup>
Mr. Ajay Tyagi	Independent Director	0.53	4.93	303.99 <sup>++</sup>
Mr. P. R. Ramesh	Independent Director	0.91	8.49	595.85 <sup>++</sup>
Mr. Siddhartha Mohanty <sup>^#</sup>	Nominee of LIC	0.14	1.55	—
Mr. Sivaram Nair A	Company Secretary & Compliance Officer	1.87	17.53	9.01

<sup>§</sup> Ceased to be a Whole-time Director w.e.f April 7, 2024 on account of superannuation.

<sup>®</sup> Ceased to be Independent Director w.e.f May 28, 2024 on account of completion of tenure.

<sup>\*</sup> Ceased to be Nominee Director of LIC w.e.f May 27, 2024 on account of withdrawal of nomination by LIC.

<sup>^</sup> Appointed as Nominee Director of LIC w.e.f May 28, 2024.

<sup>#</sup> Remuneration has been paid to the institution the director represents.

— Details not given as the Director was there for the part of the year.

<sup>\*\*</sup> Ratio of remuneration of director to the median remuneration is calculated on pro-rata basis for those directors who served for only part of FY 2024-25.

<sup>++</sup> Impact of full year remuneration of new director/KMP appointed during FY 2023-24.

**B. Percentage increase in the median remuneration of all employees in FY 2024-25:**

The median remuneration of employees of the Company during the financial year was ₹ 10.68 lakh. In the financial year, there was an increase of 11.73% in the median remuneration of employees.

**C. Number of permanent employees on the rolls of the Company as on March 31, 2025:**

There were 58,244 permanent employees on the rolls of the Company as on March 31, 2025.

**D. Average percentile increase made in the salaries of the employees other than the managerial personnel in the last financial year and its****comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration:**

Average percentage increase made in the salaries of employees other than the managerial personnel for the year 2024-25 was 8.15% whereas there is an increase in the managerial remuneration by 21.81%.

**E. Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other Employees.

# Annexure 'E' to the Board's Report

## Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**Larsen & Toubro Limited**  
CIN: L99999MH1946PLC004768  
L&T House, Ballard Estate,  
Mumbai – 400001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Larsen & Toubro Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable as there was no reportable event during the financial year under review;**
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review;**
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable as there was no reportable event during the financial year under review;**
- h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.
- vi. The Company has informed that there are no laws which are specifically applicable to the Company.

We have also examined compliance with the applicable provisions of the following:

- (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

**We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and a Woman Director. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors of the schedule of the Board and Committee Meetings and Agenda & detailed notes on agenda were sent at least seven days in advance except where consent of directors was received for circulation of the Agenda and notes on Agenda at a shorter notice and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting;
- All decisions of Board and Committee meetings were carried unanimously.

**We further report that** based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the following events have occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

The Company has:

- redeemed Non-Convertible Debentures of ₹ 1,450 crore on May 6, 2024, ₹ 1,000 crore on June 10, 2024, ₹ 1,000 crore on September 9, 2024 and ₹ 1,500 crore on December 9, 2024, respectively on their due dates;

- raised ₹ 5,500 crore by a) issue and allotment of 1,50,000 Non-Convertible Debentures of ₹ 1 lakh each aggregating to ₹ 1,500 crore on December 5, 2024 and b) issue and allotment of 4,00,000 Non-Convertible Debentures of ₹ 1 lakh each aggregating to ₹ 4000 Crore on January 22, 2025.
- The Board at its meeting held on January 30, 2024 had approved Merger of L&T Energy Hydrocarbon Engineering Limited and L&T Offshore Private Limited, wholly owned subsidiaries, with the Company. The said merger has been approved by the necessary statutory and regulatory authorities including National Company Law Tribunal (NCLT). The necessary filings with the statutory and regulatory authorities has been completed and March 1, 2025 is the effective date of the said Merger.
- The Company has entered into an Investment Agreement on November 5, 2024 for acquisition of upto 21% stake in E2E Networks Limited (E2E), a listed Company. The Company has completed acquisition of 15% stake in E2E via preferential allotment on December 4, 2024. The Company has acquired additional 1.1% stake in E2E from the secondary market in tranches from April 22, 2025 to April 29, 2025. The purchase of entire stake will be completed in the month of May 2025.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

**S. N. Ananthasubramanian**

Founding Partner

FCS: 4206 | COP No.: 1774

ICSI UDIN: F004206G000294980

Date: May 8, 2025

Place: Thane



**Annexure – A**

To,  
**The Members,**  
**Larsen & Toubro Limited**  
CIN: L99999MH1946PLC004768  
L&T House, Ballard Estate,  
Mumbai – 400001.

Our Secretarial Audit Report for the Financial Year ended March 31, 2025, of even date is to be read along with this letter.

**Management's Responsibility**

- 1 It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

- 2 Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- 3 We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
- 4 We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

- 5 Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
- 6 Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

**Disclaimer**

- 7 The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 8 We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For **S. N. ANANTHASUBRAMANIAN & Co.**  
Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert. No.: 5218/2023

**S. N. Ananthasubramanian**  
Founding Partner  
FCS: 4206 | COP No.: 1774  
ICSI UDIN: F004206G000294980  
Date: May 8, 2025  
Place: Thane

## Annexure 'F' to the Board's Report

### NOMINATION & REMUNERATION POLICY

#### (As per Companies Act, 2013)

The Board of Directors of Larsen & Toubro Limited ("the Company") had constituted the "Nomination and Remuneration Committee" which is in compliance with the requirements of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

#### 1. OBJECTIVE:

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Act read along with the applicable rules thereto and Regulation 19 of LODR. The Key Objectives of the Committee would be:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out by the Board or the Nomination & Remuneration Committee or by an Independent External Agency and review its implementation and compliance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- To ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long- term performance objectives appropriate to the working of the Company and its goals;
- Devising a policy on Board diversity;

#### 2. DEFINITIONS:

**2.1. Act** means the Companies Act, 2013 or Companies Act, 1956 as may be applicable and Rules framed thereunder, as amended from time to time.

**2.2. Board** means Board of Directors of the Company.

**2.3. Directors** mean Directors of the Company.

**2.4. Executive Directors** means the Executive Chairman, if any, Chief Executive Officer and Managing Director, Deputy Managing Director, if any, and Whole-time Directors.

**2.5. Key Managerial Personnel** means

- Chief Executive Officer or the Managing Director or the Manager;
- Whole-time directors;
- Chief Financial Officer;
- Company Secretary;
- Senior Management Personnel designated as such by the Board; and
- Such other officer as may be prescribed.

**2.6. Senior Management Personnel** means all members of management one level below the Executive Directors including the Chief Financial Officer and Company Secretary. Presently, persons in Sr. Vice President grade and F&A heads of Independent Companies reporting to Whole-time Directors will be covered as Senior Management Personnel.

#### 3. ROLE OF COMMITTEE:

##### 3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

##### 3.2. Policy for appointment and removal of Director, KMP and Senior Management

##### 3.2.1. Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience

of the person for appointment as Director and recommend to the Board his/her appointment.

Appointment and Remuneration of KMP or Senior Management Personnel is in accordance with the HR Policy of the Company. The Company's policy is committed to acquire, develop and retain a pool of high caliber talent, establish systems and practises for maintaining transparency, fairness and equity and provides for payment of competitive pay packages matching industry standards.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Director who has attained the retirement age fixed by the Board or as approved by the Shareholders pursuant to the requirement of the Act/LODR.

### 3.2.2. Term / Tenure:

#### a) Executive Directors:

The Company shall appoint or re-appoint any person as its Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. The rationale for such re-appointment shall also be provided in the Notice to shareholders proposing such re-appointment.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the

Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### c) Maximum Number of Directorships:

- A person shall not be appointed as a Director in case he is a Director in more than eight listed companies after April 1, 2019 and seven listed companies after April 1, 2020. For the purpose of this clause listed companies would mean only those companies whose equity shares are listed.

### 3.2.3. Evaluation:

The Committee shall by itself or through the Board or an independent external agency carry out evaluation of performance of the Board/Committee(s), Individual Directors and Chairman at regular interval (yearly) and review implementation and compliance.

The Company may disclose in the Annual Report:

- a. Observation of the Board Evaluation for the year under review
- b. Previous years observations and actions taken
- c. Proposed actions based on current year's observations

### 3.2.4. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### 3.2.5. Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act or the prevailing policy of the Company, as applicable. The Board/Committee will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even

after attaining the retirement age, for the benefit of the Company.

### **3.3. Policy relating to the Remuneration of Executive Director, KMP and Senior Management Personnel**

#### **3.3.1. General:**

- a) The remuneration / compensation / commission etc. to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Executive Directors shall be in accordance with the percentage / limits / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the shareholders in the case of Executive Directors.
- d) Where any insurance is taken by the Company on behalf of its Executive Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) Remuneration of other KMP or Senior Management Personnel, in any form, shall be as per the policy of the Company based on the grade structure in the Company.

#### **3.3.2. Remuneration to Executive Directors / KMP and Senior Management Personnel:**

##### **a) Fixed pay:**

The Executive Directors/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee or policy of the Company. In case of remuneration to Directors, the breakup of the pay scale and quantum of perquisites including,

employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

##### **b) Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

##### **c) Provisions for excess remuneration:**

If any Chairman/Managing Director/Whole-time Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

##### **d) Stock Options in Subsidiary Companies:**

Executive Directors may be granted stock options in subsidiary companies as per their Schemes and after taking necessary approvals. Perquisites may be added to the remuneration of concerned directors and considered in the limits applicable to the Company.

#### **3.3.3. Remuneration to Non-Executive / Independent Director:**

##### **a) Remuneration / Commission:**

The remuneration / commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company and the Act.

##### **b) Sitting Fees:**

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act. The Board of Directors will fix the Commission payable to Directors on the basis of number of Board/Committee meetings attended during the year and Chairmanships of Committees.

**d) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company. Non-Executive Directors are eligible for stock options in accordance with Schemes formulated by the Company. Nominee Directors are not entitled to stock options as per their respective nomination letters received by the Company.

**4. MEMBERSHIP:**

- 4.1** The Committee shall consist of a minimum 3 non-executive directors, half of them being independent.
- 4.2** Minimum two (2) members or one-third of the members whichever is greater including atleast one Independent Director shall constitute a quorum for the Committee meeting.
- 4.3** Membership of the Committee shall be disclosed in the Annual Report.
- 4.4** Term of the Committee shall be continued unless terminated by the Board of Directors.

**5. CHAIRPERSON:**

- 5.1** Chairperson of the Committee shall be an Independent Director.
- 5.2** Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3** In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4** Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**6. FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held atleast once in a year and at such regular intervals as may be required.

**7. COMMITTEE MEMBERS' INTERESTS:**

- 7.1** A member of the Committee is not entitled to be present/participate in discussion when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2** The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**8. SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

**9. VOTING:**

Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

**10. NOMINATION DUTIES:**

The duties of the Committee in relation to nomination matters include:

- 10.1** Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.2** Determining the appropriate size, diversity and composition of the Board;
- 10.3** Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.4** Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.5** Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.6** Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 10.7** Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.8** Recommend any necessary changes to the Board; and
- 10.9** Considering any other matters, as may be requested by the Board.

**11. REMUNERATION DUTIES:**

The duties of the Committee in relation to remuneration matters include:

- 11.1** To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate and all elements of the remuneration of the members of the Board.
- 11.2** To ensure the remuneration maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3** To delegate any of its powers to one or more of its members or the Secretary of the Committee.

- 11.4** To consider any other matters as may be requested by the Board.

- 11.5** To review professional indemnity and liability insurance for Directors and senior management.

**12. MINUTES OF NOMINATION AND REMUNERATION COMMITTEE MEETING:**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

**13. REVIEW & AMENDMENT:**

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Executive Committee has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.



# **Standalone Financial Statements**

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF LARSEN & TOUBRO LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Larsen & Toubro Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including material accounting policies and other explanatory information which includes 31 joint operations accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of joint operations referred to in the 'Other Matters' section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibility for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the 'Other Matters' section below is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Revenue recognition – accounting for construction contracts

Key audit matter Description	<p>There are significant accounting judgements in estimating revenue to be recognised on contracts with customers, including estimation of costs to complete. The Company recognises revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract.</p> <p>Significant judgements are involved in determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Company's Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (change orders and claims). Variable consideration is recognised when the recovery of such consideration is highly probable based on company's contractual rights and /or a legal assessment.</p> <p>Refer to Note No. [1](II)(e) and 31 to the Standalone Financial Statements.</p>
Principal Audit Procedures	<p>Our audit procedures related to the</p> <ol style="list-style-type: none"> <li>(1) identification of distinct performance obligations,</li> <li>(2) evaluation of the process for estimation of costs to complete,</li> <li>(3) evaluation of implications of change orders on costs estimates of costs to complete and revenue and</li> <li>(4) evaluation of any variable consideration, included the following, amongst others:</li> </ol> <p>We tested the design, implementation and operating effectiveness of internal financial controls relating to the:</p> <ol style="list-style-type: none"> <li>(a) evaluation of performance obligations and identification of those that are distinct.</li> <li>(b) estimation of costs to complete each of the performance obligations including the cost contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders.</li> <li>(c) the impact of change orders on the transaction price of the related contracts; and</li> <li>(d) evaluation of the impact of variable consideration on the transaction price.</li> </ol>

**Revenue recognition – accounting for construction contracts**

We selected a sample of contracts with customers and performed the following procedures:

- a. Obtained and read contract documents for each selection, change orders, and other documents that were part of the agreement.
- b. Identified significant terms and deliverables in the contract to assess management's conclusions regarding the
  - (i) identification of distinct performance obligations.
  - (ii) changes to costs to complete as work progresses and as a consequence of change orders.
  - (iii) the impact of change orders on the transaction price; and
  - (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
- c. Compared costs incurred with Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
- d. Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation.

We read and verified the presentation and disclosure in the financial statements are in accordance with applicable accounting standards.

**Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices.**

Key audit matter  
description

The Company, in its contract with customers, promises to transfer distinct services to its customers, which may be rendered in the form of engineering, procurement, and construction ("EPC") services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could be based on agreed unit price or lump-sum revenue arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, including in the case of certain Defence contracts, where the audit evidences of customer contracts, work carried out and cost incurred are restricted due to confidentiality arrangements and secrecy commitments made to the Ministry of Defence under the Official Secrets Act, 1923, involves a significant judgement. Assessing the recoverability of contract assets related to overdue milestones and amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period and the recognition of provision for expected credit loss thereon, involves a significant judgment.

Refer to Note Nos. [1](II)(e), [1](II)(m), 11 and 16 to the Standalone Financial Statements.

Principal Audit  
Procedures

Our audit procedures related to the

- (1) evaluation of evidence supporting the execution of work;
- (2) evaluation of recoverability of the overdue amounts including the impact on the expected credit loss allowance; and
- (3) assessment of adjusting events after the reporting date i.e. March 31, 2025, and the date when the financial statements are approved by the Company's Board of Directors, included the following, amongst others:
  - We tested the design, implementation and operating effectiveness of internal financial controls relating to the :
    - (a) gathering and evaluation of evidence supporting the execution of work.
    - (b) evaluation of recoverability of the overdue amounts including the impact on the expected credit loss allowance; and
    - (c) assessment of adjusting events after the reporting date i.e. March 31, 2025, and the date when the financial statements are approved by the Company's Board of Directors and the impact thereof on the carrying amount of the related contract assets, measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices.
  - We selected a sample of contracts for testing contract asset balances and overdue trade receivables and evaluated the basis for management's conclusions regarding the:
    - (1) evidence supporting the execution of work for which the contract assets were recognised.
    - (2) reasons for the delays in recovery of invoices and the basis on which recoverability of the contract assets was assessed;
    - (3) impact on the allowance for expected credit losses; and
    - (4) adjusting events after the reporting date i.e. March 31, 2025, and the date when the financial statements are approved by the Company's Board of Directors and the impact thereof on the carrying amount of the related contract assets.

---

**Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices.**


---

- In respect of the sample contracts, we compared previous estimates relating to billing of contract assets and recoverability of overdue trade receivable with actual billing and collections during the year.
  - In case of certain Defence contracts, (a) performed alternative procedures over progressive billing and collections from customer and (b) obtained specific management representation and also direct confirmation from the customer with respect to confidentiality restrictions.
  - Read and tested the presentation and disclosure in the financial statements are in accordance with applicable accounting standards.
- 

**Impairment of Investment in a Subsidiary**


---

Key audit matter description

As at March 31, 2025, the Company held investment with a carrying amount of ₹ 7,412.99 crore (excluding investment of ₹ 973.73 crore in debentures) in L&T Metro Rail (Hyderabad) Limited, a wholly owned subsidiary. This investment is carried at cost less impairment in the Company's Standalone Financial Statements. Consequent to accumulation of losses incurred by the subsidiary, the Company's management has tested this investment for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at March 31, 2025. The recoverable amount of the investment in the subsidiary is assessed based on future discounted cash flows of the subsidiary, over the entire concession period.

We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the subsidiary and in determining the discount rate to be used. Changes in inputs and assumptions could impact the results of the impairment assessment.

Refer to Note Nos. [1](II)(m) and 5 to the Standalone Financial Statements

---

Principal Audit Procedures

Our audit procedures related to forecasts of future traffic, revenue, free cash flows generated, selection of the method for estimating recoverable value and discount rate for the entity, included the following:

- We tested the effectiveness of controls over forecasts of future traffic, revenue, free cash flows and selection of the discount rate.
  - We evaluated the reasons for variation between the management's previous estimate of traffic, revenue and cash flow forecasts and obtained our understanding of the manner in which revised forecasts were obtained.
  - With the assistance of our valuation specialists who have necessary skill and knowledge, we evaluated the reasonableness of the methodology and assumptions used by testing the source information underlying the determination of the such assumptions and mathematical accuracy of the calculations; and
  - We performed sensitivity analysis of the discount rate to assess the extent of change in discount rate that would be required for the investment to be impaired.
- 

**Information Other than the Financial Statements and Auditor's Report Thereon ('other information')**

- The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Board of Directors for the Standalone Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the Company and its joint operations to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the standalone financial statements of which we are the independent auditors. For the other entities included in the standalone financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- We did not audit the financial information of 29 joint operations included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of ₹ 3,836.02 crore as at 31st March 2025 and total revenue of ₹ 3438.75 crore and net cash flows of 132.99 crore for the year ended on that date, as considered in the standalone financial statements. The

financial information of these joint operations have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operations, is based solely on the report of such other auditors.

- The standalone audited financial statements for the year ended March 31, 2024, included in the accompanying standalone financial statements were audited by Deloitte Haskins & Sells LLP, one of the joint auditors of the Company, whose report dated May 8, 2024 expressed an unmodified opinion on those standalone audited financial statements.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below are not modified in respect of these matters.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the joint operations, referred to in the 'Other Matters' section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company and its joint operations which are companies incorporated in India so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Company's Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act and the rules thereunder.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement;
  - v. The amount of dividend is in accordance with Section 123 of the Act.
    - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
    - (b) As stated in note 17 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, to the extent it applies to payment of dividend.
  - vi. Based on our examination, which included test checks, the Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

**For M S K A & Associates**  
Chartered Accountants  
(Firm's Regn. No -105047W)

**Vishal Vilas Divadkar**  
Partner  
(Membership No. 118247)  
UDIN 25118247BMOXWL8842

Place: Mumbai  
Date: May 8, 2025

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Regn. No -117366W/W - 100018)

**Rupen K Bhatt**  
Partner  
(Membership No. 046930)  
UDIN 25046930BMODQU8516

Place: Mumbai  
Date: May 8, 2025

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to standalone financial statements of Larsen and Toubro Limited (the "Company") as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements of one of the Company's 31 joint operations which is a company incorporated in India.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements of the Company and its joint operations company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing ("SA"s) prescribed under Section 143(10) of the Companies Act, 2013 (the "Act"), to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor of the joint operation which is a company incorporated in India, in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

#### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to Standalone Financial Statements of the joint operation referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Standalone Financial Statements insofar as it relates to one joint operation which is a company incorporated in India, is based on the corresponding report of the other auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

**For M S K A & Associates**

Chartered Accountants  
(Firm's Regn. No -105047W)

**Vishal Vilas Divadkar**

Partner  
(Membership No. 118247)  
UDIN:25118247BMOXWL8842

Place: Mumbai  
Date: May 8, 2025

**For Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Regn. No -117366W/W - 100018)

**Rupen K Bhatt**

Partner  
(Membership No. 046930)  
UDIN 25046930BMODQU8516

Place: Mumbai  
Date: May 8, 2025

## ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Larsen & Toubro Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of the Company's property, plant and equipment and intangible assets:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in progress, investment properties and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - The Company has a program of physical verification of its property, plant and equipment and investment properties so to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain assets were due for verification during the year and were physically verified by the Management during the year. No material discrepancies were noticed on such verification.
  - With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements as a part of property, plant and equipment, capital work-in progress and investment property and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

₹ crore

Description of property	Gross carrying value as at March 31, 2025 (₹ crore)	Carrying value in the financial statements as at March 31, 2025 (₹ crore)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of Company Also indicate if in dispute
Freehold Land – Hazira West	1.01	1.01	1. Magan Kuber * 2. Kashiben Patel 3. Ishwar Prema	No	13 years (Since 2012)	Land acquired from farmers through Government Acquisition Route. The formalities are pending from the authorities side.

\* Irrevocable Power of Attorney given to L&T by the owners, possession is with L&T

- The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
  - No proceedings have been initiated or is pending against the company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) In respect of the Company's inventories:
- The inventories except for goods in transit, were physically verified during the year by the Management at reasonable intervals. In case of real estate inventory wherein, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification to the extent of work completion by competent persons, are at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
  - The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

- (iii) The Company has made investments in, provided guarantee and granted loans, secured or unsecured, to companies or any other parties during the year, in respect of which:

- (a) The Company has provided loans during the year and details of which are given below:

₹ crore

Particulars	Loans	Guarantees	Security
Aggregate amount granted / provided during the year:			
Subsidiaries#	1517.67	2374.00	NIL
Joint Venture	NIL	NIL	NIL
Associates	NIL	NIL	NIL
Others	NIL	NIL	NIL
Balance Outstanding as at balance sheet date in respect of above cases*			
Subsidiaries	1858.51	NIL	NIL
Joint Venture	NIL	NIL	NIL
Associates	NIL	NIL	NIL
Others	NIL	NIL	NIL

\* The amounts reported are at gross amounts (including interest accrued), without considering provisions made and includes investments made in debt instruments issued by subsidiaries.

#Includes acquisition of loan from JV partner aggregating to ₹ 170 cr.

The Company has not provided any advances in the nature of loans to any other entity during the year.

- (b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation, except for the following:

Name of the entity	Nature	Amount in ₹ crore	Due Date	Extent of Delay	Remarks, if any
L&T Special Steel & Heavy Forgings Pvt. Ltd.	Principal on Working Capital and Project Funding Loan	1730.38	June 30, 2022	1006 days	Principal on Working Capital and Project Funding Loan remains outstanding as on March 31, 2025
L&T Special Steel & Heavy Forgings Pvt. Ltd.	Interest on Working Capital and Project Funding Loan	168.05	June 30, 2022	1006 days	Interest on Working Capital and Project Funding Loan remains outstanding as on March 31, 2025
L&T Special Steel & Heavy Forgings Pvt. Ltd.	Principal on Working Capital and Project Funding Loan	102.00	Sep 30, 2022 Sep 30, 2023 Sep 30, 2024	914 days 549 days 183 days	Principal on Working Capital and Project Funding Loan remains outstanding as on March 31, 2025

Refer to Note No. 63(a)(i) to the Standalone Financial Statements.

- (d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal and interest.

₹ crore

No. of cases.	Principal amount overdue	Interest overdue	Total overdue	Remarks, if any
1.	1,730.38	457.76	2,188.14	Principal and Interest on Working Capital and Project Funding Loan remains outstanding as on March 31, 2025
2.	102.00	—	102.00	Principal on Working Capital and Project Funding Loan remains outstanding as on March 31, 2025

Refer to Note No. 63(a)(i) to the Standalone Financial Statements.

- (e) During the year loans aggregating to ₹ 182.06 crore fell due from certain parties have been renewed. The details of such loans that fell due and were renewed during the year are stated below:

₹ crore

Name of the Party	Aggregate amount of existing loans renewed.	Percentage of the aggregate to the total loans or advances granted during the year
L&T Sapura Shipping Private Limited (Shareholder's Loan) due on December 31, 2024 and further extended upto December 31, 2026.(USD 21,260,000)	182.06	12.00%

Refer to Note No. 63(a)(ii) to the Standalone Financial Statements.

- (f) The Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Act, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities during the year, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained during the year by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- (c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

₹ crore

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Involved	Amount Unpaid
Goods and Services Tax Act, 2017	Dispute of questions of law, Classification dispute, Tax levied on goods-in-transit, labour charges & disallowance of input tax credit on deemed export sales	Appellate authority	2017-18 to 2020-21, 2022-24	237.89	225.43
	Disallowance of input tax credits, Mismatch of Return, GST rate dispute and other matters	Commissioner (Appeals)	2017-18 to 2022-23	1,952.77	1,902.04
	Disallowance of input tax credits, credits claimed in Tran-1, Mismatch of Return, GST rate dispute, ineligible credit of educational cess and other matters	Assistant Joint Commissioner/ Assistant Commissioner/ Deputy Commissioner/ Joint Commissioner	2017-18 to 2020-21	502.17	474.95
	Disallowance of input tax credits, classification dispute related to place of supply and cross charge	High Court	2017-18 to 2019-20	1,276.86	1,238.58
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Dispute regarding questions of law, classification dispute, Rate disputes and other matters	Supreme Court of India	1999-2000	10.80	–



₹ crore

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Involved	Amount Unpaid
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, and other matters.	High Court	2014-15 to 2017-18	139.36	102.79
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, Service Tax for CSR Disallowed and other matters.	CESTAT/ Department	2002-03 to 2020-21 and 2024-25	420.06	381.59
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, and other matters.	Additional Commissioner Appeal, Appellate DC, Commissioner Appeals, Deputy Commissioner Appeals	2006-07, 2009-10, 2013-14 to 2017-18 and 2021-22	5.52	3.45
	Dispute regarding valuation disputes	Tribunal	2007-08 to 2010-11	161.61	134.61
	Differential Custom Duty	DGFT	2016-17, 2021-22	1.05	0.79
	Dispute regarding questions of law, Classification dispute, Tax levied on goods-in-transit, labour charges & disallowance of input tax credit on deemed export sales, Taxability of sub- contractor turnover and non- submission of forms	Supreme Court	2006-07 to 2017-18	720.57	699.56
The Central Sales Tax Act, Entry tax, Local Sales Tax Act and Works Contract Tax Act	Dispute regarding questions of law, classification dispute, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, Non submission of Forms, inter-state sale turnover, Rate of tax of declared goods, Labour & service charges disallowed, Disallowance of exemptions claimed for imports & Sales in transit, Road permit issue and other matter	High Court	1986-87 to 1989-90, 1994-95, 1999-20 to 2016-17	530.91	511.94
	Disallowance of exemptions claimed for imports & Sales in transit, labour & service charges disallowed and other matters	CESTAT/Department	2004-05 to 2016-17	107.29	79.12
	Dispute regarding questions of law, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, non submission of Forms, classification disputes, inter-state sale turnover, Rate of tax of declared goods, Labour & service charges disallowed, Disallowance of exemptions claimed for imports & Sales in transit, Road permit issue and other matter	Tribunal	1994-95 to 1995-96, 1999-20 to 2017-18	623.18	515.63

₹ crore					
Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Involved	Amount Unpaid
The Central Sales Tax Act, Entry tax, Local Sales Tax Act and Works Contract Tax Act	Dispute regarding questions of law, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, non submission of Forms, classification disputes, inter-state sale turnover, Rate of tax of declared goods, Labour & service charges disallowed, Disallowance of exemptions claimed for imports & Sales in transit, Sale mismatch & levy of tax on import of goods through Way bill, Road permit issue and other matter	Joint commissioner Appeals/ Additional Commissioner Appeals/ Deputy Commissioner Appeals/ Assistant Commissioner Appeals/ Commissioner Appeals/ Appellate DC	1993-94 to 2017-18	2,266.63	2,107.57
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, and other matters	Assistant Commissioner/ Deputy Commissioner/ Additional Commissioner/ Joint Commissioner/ Commissioner/ Assessing Officer	1989-90, 1997-98 to 1999-2000, 2001-02, 2003-04 to 2017-18	316.51	246.76
Income Tax Act, 1961	Demands arising out of Regular Assessment/ Reassessment	Income Tax Appellate Tribunal (ITAT)	2003-04, 2004-05, 2007-08 to 2012-13 and 2019-20	944.53	250.04
	Demands arising out of Regular Assessment/ Reassessment Demand arising out of order under section 201(1)/201(1A) of the Income Tax Act	CIT(A)	2011-12, 2014-15, 2015-16 to 2021-22	3,117.31	2,407.74

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) In respect of borrowings:

- In our opinion, during the year, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. or joint ventures.
- The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) In respect of issue of securities:

- The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under paragraph (x)(b) of the Order is not applicable to the Company.

- (xi) In respect of fraud:
- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - (c) We have taken into consideration, the whistle blower complaints received by the company during the year and upto the date of this report and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties undertaken during the year and the details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) In respect of internal audit:
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of section 192 of the Act are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For M S K A & Associates**  
Chartered Accountants  
(Firm's Registration No. 105047W)

**Vishal Vilas Divadkar**  
Partner  
(Membership No. 118247)  
UDIN: 25118247BMOXWL8842

Place: Mumbai  
Date: May 8, 2025

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Rupen K. Bhatt**  
Partner  
(Membership No. 046930)  
UDIN: 25046930BMODQU8516

Place: Mumbai  
Date: May 8, 2025

## Standalone Balance Sheet as at March 31, 2025

₹ crore			
Particulars	Note	As at 31-3-2025	As at 31-3-2024
<b>ASSETS:</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	9155.12	9207.41
Capital work-in-progress	2	1117.33	1397.04
Investment property	3	741.34	567.93
Investment Property under construction	3	565.82	593.33
Goodwill	4	121.86	121.86
Other Intangible assets	4	107.95	152.42
Intangible assets under development	4	21.76	26.63
Right-of-use assets	54(b)	561.89	475.61
Financial assets:			
Investments	5	32853.88	30649.26
Loans	6	726.67	579.06
Other financial assets	7	976.02	596.84
		34556.57	31825.16
Deferred tax assets (net)	44(d)	1544.69	1594.48
Current tax assets (net)		3511.16	3264.38
Other non-current assets	8	1838.30	1417.84
<b>Sub-total - Non-current assets</b>		<b>53843.79</b>	<b>50644.09</b>
<b>Current assets</b>			
Inventories	9	3398.77	3520.97
Financials assets			
Investments	10	24788.29	16813.34
Trade receivables	11	38330.18	36960.51
Cash and cash equivalents	12	3583.55	3940.99
Other bank balances	13	763.06	829.98
Loans	14	635.02	63.04
Other financial assets	15	3775.12	4259.79
		71875.23	62867.65
Other current assets	16	57141.13	57553.44
<b>Sub-total - Current assets</b>		<b>132415.12</b>	<b>123942.06</b>
Group(s) of assets classified as held for sale	39	157.44	1177.91
<b>TOTAL ASSETS</b>		<b>186416.35</b>	<b>175764.06</b>

## Standalone Balance Sheet as at March 31, 2025 (contd.)

₹ crore

Particulars	Note	As at 31-3-2025	As at 31-3-2024
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	17	275.04	274.93
Other equity	18	71620.80	64241.17
<b>Total equity</b>		71895.84	64516.10
<b>Liabilities</b>			
<b>Non- current liabilities</b>			
Financial liabilities			
Borrowings	19	9286.00	11931.14
Lease liabilities		198.19	112.25
Other financial liabilities	20	143.07	75.81
		9627.26	12119.20
Provisions	21	765.72	703.43
Other non-current liabilities	22	18.47	22.67
<b>Sub-total - Non-current liabilities</b>		10411.45	12845.30
<b>Current liabilities</b>			
Financial liabilities:			
Borrowings	23	3743.58	4864.65
Current maturities of long-term borrowings	24	8905.30	5744.68
Lease liabilities		162.18	158.89
Trade payables:	25		
Due to micro enterprises and small enterprises		1170.16	873.17
Due to others		37625.83	39868.09
Other financial liabilities	26	3450.20	4097.83
		55057.25	55607.31
Other current liabilities	27	44764.13	39287.68
Provisions	28	2398.23	2202.05
Current tax liabilities (net)		1889.45	1305.62
<b>Sub-total - Current liabilities</b>		104109.06	98402.66
<b>TOTAL LIABILITIES</b>		114520.51	111247.96
<b>TOTAL EQUITY AND LIABILITIES</b>		186416.35	175764.06
<b>CONTINGENT LIABILITIES</b>	29		
<b>COMMITMENTS</b> (capital and others)	30		
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1 to 64		

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

Mumbai, May 8, 2025

## Standalone Statement of Profit and Loss for the year ended March 31, 2025

		₹ crore	
Particulars	Note	2024-25	2023-24
<b>INCOME:</b>			
Revenue from operations	31	142509.01	126233.36
Other income (net)	32	5669.21	5329.70
<b>Total Income</b>		<b>148178.22</b>	<b>131563.06</b>
<b>EXPENSES:</b>			
Manufacturing ,construction and operating expenses	33		
Cost of raw materials and components consumed		15219.90	11621.48
Construction materials consumed		45457.97	43031.68
Purchase of stock-in-trade		1409.90	1078.54
Stores, spares and loose tools consumed		3060.70	3613.78
Sub-contracting charges		35741.21	30814.82
Changes in inventories of finished goods, stock-in-trade and work-in-progress		1089.23	411.83
Other manufacturing, construction and operating expenses		14676.41	13442.55
		116655.32	104014.68
Employee benefits expense	34	10380.08	9040.16
Sales, administration and other expenses	35	3885.36	3449.24
Finance costs	36	2195.46	2405.83
Depreciation, amortisation, impairment and obsolescence	37	1963.02	1753.17
<b>Total Expenses</b>		<b>135079.24</b>	<b>120663.08</b>
<b>Profit before exceptional items and tax</b>		<b>13098.98</b>	<b>10899.98</b>
Exceptional items before tax (net) [gain/(loss)]		474.78	586.47
Tax expense on exceptional items:			
Current tax	44(a)	—	20.83
Deferred tax	44(a)	—	117.65
<b>Total tax expense on exceptional items</b>		<b>—</b>	<b>138.48</b>
Exceptional items (net of tax)		474.78	447.99
<b>Profit before tax</b>		<b>13573.76</b>	<b>11347.97</b>
Tax expenses:			
Current tax	44(a)	2849.97	2207.96
Deferred tax	44(a)	(146.93)	(191.40)
<b>Total tax expense</b>		<b>2703.04</b>	<b>2016.56</b>
<b>Net profit after tax</b>		<b>10870.72</b>	<b>9331.41</b>
<b>Other comprehensive income</b>			
<b>A Items that will not be reclassified to Profit or Loss:</b>			
Gain/(loss) on remeasurement of the defined benefits plan		(266.31)	13.61
Income tax (expenses)/income on remeasurments of the defined benefits plan		67.02	(3.51)
		(199.29)	10.10
Carried forward - Other comprehensive income		(199.29)	10.10



## Standalone Statement of Profit and Loss for the year ended March 31, 2025 (contd.)

		₹ crore	
Particulars	Note	2024-25	2023-24
Brought forward - Other comprehensive income		(199.29)	10.10
<b>B Items that will be reclassified to Profit or Loss:</b>			
Debt instruments through Other comprehensive income		264.26	171.92
Income tax (expenses)/income on debt instruments through Other comprehensive income		(60.46)	(39.34)
		203.80	132.58
Exchange differences in translating the financial statements of foreign operations		(15.57)	(6.93)
Income tax (expenses)/income on exchange differences in translating the financial statements of foreign operations		3.92	1.74
		(11.65)	(5.19)
Effective portion of gains/(losses) on hedging instruments in a cash flow hedge		164.92	(234.42)
Income tax (expenses)/income on effective portion of gains/(losses) on hedging instruments in a cash flow hedge		(41.56)	50.26
		123.36	(184.16)
Cost of hedging reserve		191.13	0.12
Income tax (expenses)/income on cost of hedging reserve		(48.10)	(0.03)
		143.03	0.09
Other comprehensive income for the year (net of tax)		259.25	(46.58)
<b>Total comprehensive income for the year</b>		<b>11129.97</b>	<b>9284.83</b>
<b>Earnings per share (EPS) of ₹ 2 each:</b>			
Basic earnings per equity share (₹)	49	79.06	67.14
Diluted earnings per equity share (₹)	49	79.00	67.08
<b>Face value per equity share (₹)</b>		<b>2.00</b>	<b>2.00</b>
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1 to 64		

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

Mumbai, May 8, 2025

## Standalone Statement of Changes in Equity for the year ended March 31, 2025

### A. Equity share capital

Particulars	2024-25		2023-24	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,374,668,619	274.93	1,405,482,190	281.10
Add: Shares issued on exercise of employee stock options during the year	523,546	0.11	436,429	0.08
Less: Shares extinguished on buy-back	—	—	31,250,000	6.25
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,375,192,165	275.04	1,374,668,619	274.93

### B. Other equity

	Reserves and surplus								Items of Other comprehensive income			₹ crore
Particulars	Capital reserve	Capital reserve on business combination	Capital redemption reserve	Securities premium	Employee share options (net)	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	Total other equity
Balance as at 1-4-2023	10.84	(25.77)	260.00	8770.19	74.62	20.42	26201.60	35863.32	(21.47)	224.01	(130.91)	71246.85
Change on account of business combination	—	—	—	—	—	—	—	73.31	—	—	—	73.31
Restated balance at 1-4-2023	10.84	(25.77)	260.00	8770.19	74.62	20.42	26201.60	35936.63	(21.47)	224.01	(130.91)	71320.16
Profit for the year (a)	—	—	—	—	—	—	—	9331.41	—	—	—	9331.41
Other comprehensive income (b)	—	—	—	—	—	—	—	10.10	(5.19)	(184.07)	132.58	(46.58)
Total comprehensive income for the year (a+b)	—	—	—	—	—	—	—	9341.51	(5.19)	(184.07)	132.58	9284.83
Buy-back of equity shares	—	—	—	(8770.19)	—	—	(1223.56)	—	—	—	—	(9993.75)
Tax on buyback of equity shares	—	—	—	—	—	—	(2253.33)	—	—	—	—	(2253.33)
Expenses for buyback of equity shares (net of tax)	—	—	—	—	—	—	(26.55)	—	—	—	—	(26.55)
Amount transferred to capital redemption reserve upon buyback	—	—	6.25	—	—	—	(6.25)	—	—	—	—	—
Issue of equity shares on exercise of employee share options	—	—	—	9.56	—	—	—	—	—	—	—	9.56
Transfer on account of exercise of employee share options	—	—	—	41.00	(41.00)	—	—	—	—	—	—	—
Transfer to non- financial assets/liability	—	—	—	—	—	—	—	—	—	22.27	—	22.27
Transfer from/to general reserve/retained earnings during the year	—	—	—	—	(2.86)	(20.42)	23.28	—	—	—	—	—
Employee share options (net)	—	—	—	—	94.93	—	—	—	—	—	—	94.93
Special dividend paid during the year	—	—	—	—	—	—	—	(843.39)	—	—	—	(843.39)
Dividend paid for previous year	—	—	—	—	—	—	—	(3373.56)	—	—	—	(3373.56)
Balance as at 31-3-2024	10.84	(25.77)	266.25	50.56	125.69	—	22715.19	41061.19	(26.66)	62.21	1.67	64241.17

## Standalone Statement of Changes in Equity for the year ended March 31, 2025 (contd.)

₹ crore

Particulars	Reserves and surplus							Items of Other comprehensive income				Total other equity
	Capital reserve	Capital reserve on business combination	Capital redemption reserve	Securities premium	Employee share options (net)	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	
<b>Balance as at 1-4-2024</b>	10.84	(25.77)	266.25	50.56	125.69	–	22715.19	41061.19	(26.66)	62.21	1.67	64241.17
Profit for the period (c)	–	–	–	–	–	–	–	10870.72	–	–	–	10870.72
Other comprehensive income (d)	–	–	–	–	–	–	–	(199.29)	(11.65)	266.39	203.80	259.25
<b>Total comprehensive income for the period (c+d)</b>	–	–	–	–	–	–	–	10671.43	(11.65)	266.39	203.80	11129.97
Amount transferred to capital redemption reserve upon buyback	–	–	–	–	–	–	–	–	–	–	–	–
Issue of equity shares on exercise of employee share options	–	–	–	9.22	–	–	–	–	–	–	–	9.22
Transfer on account of exercise of employee share options	–	–	–	78.65	(78.65)	–	–	–	–	–	–	–
Transfer to non- financial assets/liability	–	–	–	–	–	–	–	–	–	1.89	–	1.89
Transfer from/to general reserve/retained earnings during the period	–	–	–	–	(2.06)	–	2.06	–	–	–	–	–
Employee share options (net)	–	–	–	–	88.12	–	–	–	–	–	–	88.11
Special dividend paid during the period	–	–	–	–	–	–	–	–	–	–	–	–
Dividend paid for previous year	–	–	–	–	–	–	–	(3849.57)	–	–	–	(3849.57)
<b>Balance as at 31-3-2025</b>	10.84	(25.77)	266.25	138.43	133.10	–	22717.25	47883.05	(38.31)	330.49	205.47	71620.80

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

Mumbai, May 8, 2025

## Standalone Statement of Cash Flows for the year ended March 31, 2025

Particulars	₹ crore	
	2024-25	2023-24
<b>A. Cash flow from operating activities:</b>		
Profit before tax (excluding exceptional items)	13098.98	10899.98
Adjustments for:		–
Dividend received	(2977.27)	(2655.67)
Depreciation, amortisation, impairment and obsolescence (net)	1963.02	1753.17
Exchange difference on items grouped under financing/investing activities	8.47	(43.23)
Effect of exchange rate changes on cash and cash equivalents	7.82	(2.06)
Interest expense	2195.46	2405.83
Interest income	(1368.61)	(1648.20)
(Profit)/loss on sale of Property, plant and equipment, Investment property and Intangible assets (net)	(407.70)	(58.68)
(Profit)/loss on sale of investments (net) (including fair valuation)	(457.20)	(284.78)
Provision on loans given to subsidiary	–	(70.24)
Employee stock option-discount forming part of employee benefits expense	83.83	91.56
Other adjustments	16.09	0.42
<b>Operating profit before working capital changes</b>	<b>12162.89</b>	<b>10388.10</b>
Adjustments for:		
(Increase)/decrease in trade and other receivables	(672.00)	(5401.41)
(Increase)/decrease in inventories	132.99	(74.95)
Increase/(decrease) in trade payables and customer advances	3495.43	6030.91
<b>Cash (used in)/generated from operations</b>	<b>15119.31</b>	<b>10942.65</b>
Direct taxes (paid) [net]	(2395.33)	(2645.18)
<b>Net cash (used in)/from operating activities</b>	<b>12723.98</b>	<b>8297.47</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of Property, plant and equipment, Investment property and Intangible assets	(2725.01)	(2920.14)
Sale of Property, plant and equipment, Investment property and Intangible assets	685.17	94.59
Investment in subsidiaries, associates and joint venture companies	(2215.31)	(3719.66)
Divestment of stake in subsidiary companies, associates and joint venture companies (net)	1065.37	186.67
Sale of non-current investments	–	34.23
(Purchase)/sale of current investments (net)	(7306.59)	4757.26
Change in other bank balances and cash not available for immediate use	148.11	(146.31)
Long term deposits/Loans (given) - subsidiaries, associates, joint venture companies and third parties	(111.48)	(110.21)
Long term deposits/loans repaid - subsidiaries, associates, joint venture companies and third parties	4.51	2499.27
Short term deposits/loans (given)/repaid (net) - subsidiaries, associates, joint venture companies and third parties	(134.46)	192.71
Net proceeds from transfer of business undertaking	–	800.00
Interest received	1260.14	2034.17
Dividend received from subsidiaries and joint venture companies	2957.73	2649.30
Dividend received from other investments	19.54	6.37
<b>Net cash (used in)/from investing activities</b>	<b>(6352.28)</b>	<b>6358.25</b>

## Standalone Statement of Cash Flows for the year ended March 31, 2025 (contd.)

		₹ crore	
Particulars	2024-25	2023-24	
<b>C. Cash flow from financing activities:</b>			
Proceeds from fresh issue of share capital (including share application money)[net]	9.32	9.65	
Proceeds from non-current borrowings	5500.00	7450.00	
Repayment of non-current borrowings	(4950.00)	(4845.00)	
(Repayments)/proceeds from other borrowings (net)	(1120.48)	1676.96	
Settlement of derivative contracts related to borrowings	50.24	49.65	
Interest paid on Lease Liability	(23.30)	(17.56)	
Principal repayment on Lease Liability	(136.03)	(98.70)	
Dividends paid	(3849.57)	(4216.95)	
Buy-back of equity shares	—	(10000.00)	
Tax on buy-back of equity shares	—	(2253.33)	
Expenses for buy-back of equity shares (net of tax)	—	(26.55)	
Interest paid (including cash flows from interest rate swaps)	(2205.34)	(2250.23)	
<b>Net cash (used in)/from financing activities</b>	<b>(6725.16)</b>	<b>(14522.06)</b>	
<b>Net (decrease)/increase in cash and cash equivalents (A + B + C)</b>	<b>(353.46)</b>	<b>133.66</b>	
<b>Cash and cash equivalents at beginning of the year</b>	<b>3940.99</b>	<b>3803.99</b>	
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(3.98)</b>	<b>3.34</b>	
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>61.03</b>	<b>62.99</b>	
<b>Cash and cash equivalents at end of the year</b>	<b>3583.55</b>	<b>3940.99</b>	

### Notes:

- Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS) 7 “Statement of Cash Flows” as specified in the Companies (Indian Accounting Standards) Rules, 2015.
- Property, plant and equipment, Investment property and Intangible assets are adjusted for movement of (a) Capital work-in-progress for Property, plant and equipment and Investment property and (b) Intangible assets under development during the year.

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

Mumbai, May 8, 2025

# Notes forming part of the Standalone Financial Statements

## NOTE [1](i)

### Company overview:

Larsen & Toubro Limited ("the Company") is a public limited company incorporated and domiciled in India and has its registered office at L&T House, Ballard Estate, Mumbai – 400001. The Company's share is listed on National Stock Exchange of India Limited (NSE) and BSE Limited. The Company 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 the Company to attain and sustain leadership in its major lines of business for over eight decades.

The Company is engaged in core, high impact sectors of the economy and its integrated capabilities span the entire spectrum of 'design to delivery'. Every aspect of Company's businesses is characterised by professionalism and high standards of corporate governance. Sustainability is embedded into its long-term strategy for growth.

The Company's manufacturing footprint extends across eight countries in addition to India. The Company has several international offices and a supply chain that extends around the globe.

## NOTE [1](ii)

### Material Accounting Policy Information

#### (a) Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financial statements have been approved for issue by the Board of Directors at its meeting held on May 8, 2025.

#### (b) Basis of accounting and measurement

The Company maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

#### (c) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the financial statements are presented in Indian Rupee in crore [1 crore = 10 million] rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee up to two decimal places.

#### (d) Operating cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of the specific project or contract or product line or service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.



# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

#### (e) Revenue recognition

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done using input method by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation as it best depicts the transfer of control that occurs as costs are incurred.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- (a) the customer simultaneously consumes the benefit of the Company's performance or
- (b) the customer controls the asset as it is being created/ enhanced by the Company's performance or
- (c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

- a. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.
- b. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.
- c. Determining the method to be applied to arrive at the variable consideration including variations and claims requiring an adjustment to the transaction price. Variable consideration is recognised when the recovery of such consideration is highly probable.
- (i) Revenue from operations

Revenue includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

- A. Revenue from sale of manufactured and traded goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Revenue from commissioning of complex plant and equipment is recognised either 'over time' or 'in time' based on an assessment of the transfer of control as per the terms of the contract.

- B. Revenue from construction/project related activity is recognised as follows:

- Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.

- Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. With respect to contracts, where the outcome of the performance obligation can not be reasonably measured, but the costs incurred towards satisfaction of performance obligation are expected to be recovered, the revenue is recognised only to the extent of costs incurred.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Excess of billing over revenue". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The Company recognises impairment loss (termed as provision for expected credit loss in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

- Revenue from property development activities is recognised when performance obligation is satisfied, customer obtains control of the property transferred and a reasonable expectation of collection of the sale consideration from the customer exists.
- Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.
- Revenue from contracts for rendering of engineering design services and other services which are directly related to the construction of an asset is recognised on the same basis as stated in (B) above.
- Commission income is recognised as the terms of the contract are fulfilled.
- Course fees/subscription income is recognised over time as per the course/subscription duration and agreed terms.
- Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and right to receive the income is established as per the terms of the contract.

#### (ii) Other income

- Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.
- Dividend income is accounted in the period in which the right to receive the same is established.
- Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Company, are recognised as other income/reduced from underlying expenses in profit or loss in the period in which such costs are incurred. Government grants related to an asset are reduced from the cost of an asset until the asset is ready to use and the grant post that is presented as deferred income. Subsequently the grant is recognised as income in profit or loss on a systematic basis over the expected useful life of the related asset. Government grant receivable in the form of duty credit scrips is recognised as other income in the Statement of Profit and Loss in the period in which the export is done or the application is made to the government authorities and to the extent there is no uncertainty towards its receipt.
- Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

### (f) Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

#### (g) Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. All directly attributable costs related to the acquisition of PPE and borrowing costs in case of qualifying assets are capitalised in accordance with the Company's accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. All direct cost that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress". (Also refer to the policies on leases, borrowing costs, impairment of assets and foreign currency transactions below).

Depreciation is recognised using straight-line method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset then useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

#### (h) Investment property

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs and borrowing cost capitalised for qualifying assets, in accordance with the Company's accounting policy. Policies with respect to depreciation, useful life and derecognition are followed on the same basis as stated for Property, Plant and Equipment vide Note 1(ii)(g) above.

#### (i) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Research and development expenditure on new products:

- (i) Expenditure on research is expensed under respective heads of account in the period in which it is incurred.
- (ii) Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:
  - A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
  - B. the Company has intention to complete the intangible asset and use or sell it;
  - C. the Company has ability to use or sell the intangible asset;
  - D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

- E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- F. the Company has ability to reliably measure the expenditure attributable to the intangible asset during its development. Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

Intangible assets are amortised on straight-line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each financial year and the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

### (j) Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are tested for impairment so as to determine the impairment loss, if any. Goodwill is tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value-in-use; and
- (ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.

(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the Company and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

### (k) Employee Benefits

- (i) Short term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

- (ii) Post-employment benefits:

- A. Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.
- B. Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Company, the post-retirement medical care plan and the company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance costs. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

#### (iii) Other long-term employee benefits:

The obligation recognised in respect of other long-term benefits is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii)(B) above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefits expenses. Interest cost implicit in long-term employee benefit cost is recognised in the Statement of Profit and Loss under finance costs.

#### (iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit can no longer be withdrawn or when the Company recognises the related restructuring costs whichever is earlier.

## (I) Leases

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

In case of sale and leaseback transactions, the Company first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is at market terms, the Company effectively derecognises the asset, recognises a ROU asset (and lease liability) and recognises in Statement of Profit and Loss, the gain or loss relating to the buyer-lessor's rights in the underlying asset. (Also refer to policy on Property, Plant and Equipment vide Note 1(ii)(g), above).

### (m) Financial instruments

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such financial assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

In case of funding to subsidiary companies in the form of interest free or concession loans and preference shares, the excess of the actual amount of the funding over initially measured fair value is accounted as an equity investment.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

#### (i) Financial assets:

A. All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value as follows:

1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value. Debt instruments at FVTPL is a residual category for debt instruments, if any, and all changes are recognised in profit or loss.
2. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same designated as fair value through profit or loss):
  - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
  - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
3. Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss)
  - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
  - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
4. Investment in equity instruments issued by subsidiary, associate and joint venture companies are measured at cost less impairment.
5. Investment in preference shares of the subsidiary companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [1](ii)

#### Material Accounting Policy Information (contd.)

6. Investments in equity instruments issued by other than subsidiaries are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.
7. Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.
- B. For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.
- C. A financial asset is primarily derecognised when:
  1. the right to receive cash flows from the asset has expired, or
  2. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss.

- D. Impairment of financial assets: For trade receivable, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Impairment loss on trade receivables is recognised using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 and is adjusted for forward looking information. Impairment loss on investments is recognised when the carrying amount exceeds its recoverable amount. For all other financial assets, expected credit losses are recognised based on the difference between the contractual cashflows and all the expected cash flows, discounted at the original effective interest rate. ECLs are measured at an amount equal to 12-month expected credit losses or at an amount equal to lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

#### (ii) Financial liabilities:

- A. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.
- B. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

#### (iii) The Company designates certain hedging instruments, such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

- A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

- B. Cash flow hedges: In case of forward contracts the forward element/foreign currency basis spread and the spot element are separated and only the change in the value of the spot element is designated as hedging instrument. In case of options the intrinsic value and time value are separated and only the change in intrinsic value is designated as hedging instrument.

Accounting of spot element/intrinsic value of options: The changes in the fair value of hedge instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

Accounting of forward element/foreign currency basis spread/time value of options: The changes in fair value are recognised in other comprehensive income and accumulated in equity as "cost of hedging reserve". For a transaction related hedged item, the amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. For a time related hedged item, the time value on the date on which the hedged item affects profit or loss are reclassified to profit or loss as a reclassification adjustment on a straight-line basis over the period of the hedging instrument.

The cash flow hedges are allocated to the forecast transactions on gross exposure basis. Where the hedged forecast transaction results in the recognition of a non-financial asset, such gains/losses are transferred from hedge reserve (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised in profit or loss.

- (iv) Compound financial instruments issued by the Company which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by recognising the liability and the equity components separately. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

### (n) Inventories

Inventories are valued after providing for obsolescence, as under:

- (i) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
- (ii) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realisable value. In some cases, manufacturing work-in-progress are valued at lower of specifically identifiable cost or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.
- (iii) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.
- (iv) Completed property/work-in-progress (including land) in respect of property development activity at lower of specifically identifiable cost or net realisable value.

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

### (o) Cash and bank balances

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

### (p) Securities premium

- (i) Securities premium includes:
  - A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.
  - B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.
- (ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

#### (q) Borrowing Costs

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to finance costs. In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### (r) Share-based payment arrangements

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

The fair value of the stock options granted to employees of the Company by the Company's subsidiaries is accounted as employee compensation cost over the vesting period and where such fair value is not recovered by the subsidiaries, the same is treated as dividend declared by them. The share-based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### (s) Foreign currencies

- (i) The functional currency and presentation currency of the Company is Indian Rupee.
- (ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using actual exchange rate or a rate that approximates with it at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not translated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise except for:
  - A. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when such exchange differences are regarded as an adjustment to finance costs on those foreign currency borrowings; and
  - B. exchange differences on transactions entered to hedge certain foreign currency risks.
- (iii) exchange rate as of the date on which the non-monetary asset or non-monetary liability is recognised on payment or receipt of advance consideration is used for initial recognition of related asset, expense or income.
- (iv) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:
  - A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;
  - B. income and expenses for each income statement are translated at average exchange rate for the reporting period; and
  - C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

#### (t) Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [1](ii)

### Material Accounting Policy Information (contd.)

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including inter segment revenue.
- ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.
- iii) Most of the common costs are allocated to segments mainly on the basis of the respective segment revenue estimated at the beginning of the reporting period.
- iv) Income not allocable to segments is included in "Unallocable corporate income net of expenditure".
- v) Segment result represents profit before interest and tax and includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Company.
- vi) Segment result includes the finance costs incurred on interest bearing advances with corresponding credit included in "Unallocable corporate income net of expenditure".
- vii) Segment results are not adjusted for any exceptional item.
- viii) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole.
- ix) Segment non-cash expenses forming part of segment expenses also includes the fair value of the employee stock options which is accounted as employee compensation cost [Note 1(ii)(r) above] and is allocated to the segment.
- x) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price which are either determined to yield a desired margin or agreed on a negotiated basis.

### (u) Taxes on income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances. The computation reflects the effect of uncertainty for each item of allowance and disallowance as appropriate either by i. expected value method which sums the probability-weighted amounts in a range of possible outcomes or ii. the most likely amount in a range of possible outcomes.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

### (v) Interests in joint operations

The Company as a joint operator recognises in relation to its interest in a joint operation, its share of the assets/liabilities held/ incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint operation. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint arrangement.

Interests in joint operations are included in the segments to which they relate.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [1](ii)

#### Material Accounting Policy Information (contd.)

##### (w) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- (i) the Company has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- (i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (ii) a present obligation arising from past events where:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

##### (x) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (i) estimated amount of contracts remaining to be executed on capital account and not provided for;
- (ii) uncalled liability on shares and other investments partly paid;
- (iii) funding related commitment to subsidiary, associate and joint venture companies; and
- (iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

##### (y) Discontinued operations and non-current assets held for sale

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [1](ii)

#### Material Accounting Policy Information (*contd.*)

##### (z) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

##### (aa) Earnings per share

Basic earnings per share is computed using the net profit or loss after tax and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss after tax and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

##### (ab) Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/recoverable amount measurement, tax provisions etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [2]

#### Property, Plant and Equipment & Capital work-in-progress

Class of assets	Cost/valuation					Depreciation			Impairment		Book value As at 31-3-2025				
	As at 1-4-2024	Additions	Transfer*	Foreign currency fluctuation	Classified as Held for Sale	Deductions	As at 31-3-2025	Up to 31-3-2024	For the year	Transfer*		Foreign currency fluctuation	Classified as Held for Sale	Deductions	Up to 31-3-2025
Land															
Freehold leasehold	523.71 143.14	15.07 —	22.34 —	— —	— —	10.99 —	550.13 143.14	— 14.36	— 1.59	— —	— —	— —	— —	— 15.95	— —
Sub-total	666.85	15.07	22.34	—	—	10.99	693.27	14.36	1.59	—	—	—	—	15.95	—
Buildings	3595.53	319.33	(14.54)	0.31	22.98	1.38	3866.27	868.87	120.21	(8.12)	0.31	4.37	0.86	976.04	87.35
Plant & equipment															
Owned	10792.07	1222.84	(2.88)	1.02	37.14	126.48	11849.43	6108.67	1379.10	(0.60)	1.01	18.70	114.70	7354.78	13.26
Leased out	11.66	—	(0.32)	—	—	—	11.34	11.66	—	(0.32)	—	—	—	11.34	—
Sub-total	10803.73	1222.84	(3.20)	1.02	37.14	126.48	11860.77	6120.33	1379.10	(0.92)	1.01	18.70	114.70	7366.12	13.26
Computers	683.38	73.73	(0.02)	0.08	—	39.49	717.68	520.59	70.76	—	0.11	—	39.35	552.11	—
Office equipment	332.57	32.37	0.06	0.28	0.42	12.65	352.21	264.76	33.13	0.06	0.28	0.24	12.55	285.44	—
Furniture and fixtures	167.02	13.72	(0.01)	0.08	0.23	10.36	170.22	124.84	11.97	(0.01)	0.09	0.02	10.17	126.70	0.06
Vehicles	266.93	26.39	0.02	0.27	—	30.52	263.09	164.15	26.40	—	0.27	—	23.63	167.19	—
Other assets															
Ships	323.51	17.98	—	—	—	—	341.49	113.43	20.95	—	—	—	—	134.38	—
Dredged Channel	679.69	—	—	—	—	—	679.69	325.91	29.54	—	—	—	—	355.45	—
Breakwater structures	226.00	—	—	—	—	—	226.00	46.47	5.01	—	—	—	—	51.48	—
Aircraft	195.22	—	—	—	—	—	195.22	68.82	10.48	—	—	—	—	79.30	—
Leasehold Improvements	12.81	—	—	—	12.81	—	—	2.63	2.13	—	—	4.76	—	—	—
Sub-total	1437.23	17.98	—	—	12.81	—	1442.40	557.26	68.11	—	—	4.76	—	620.61	—
Total	17943.24	1721.43	4.65	2.04	73.58	231.87	19365.91	8635.16	1711.27	(8.99)	2.07	28.09	201.30	10110.12	100.67
Add: Capital work-in-progress	1397.04	840.71	(0.27)	—	—	1120.15	1117.33	—	—	—	—	—	—	—	—

\* Transfer within property, plant and equipment and Transfer (to) / from investment property/inventories



# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [2] Property, Plant and Equipment & Capital work-in-progress (contd.)

Class of assets	Cost/Valuation				Depreciation				Impairment		Book value	
	As at 1-4-2023	Additions	Business Combination	Foreign currency fluctuation Transfer*	Deductions 31-3-2024	As at 31-3-2023	For the year Combination	Transfer*	Foreign currency fluctuation	Deductions 31-3-2024	Up to 31-3-2024	As at 31-3-2024
Land												
Freehold	556.11	0.71	-	(33.10)	-	-	-	-	-	-	-	523.71
leasehold	143.95	0.00	-	(0.81)	-	12.86	1.59	(0.09)	-	14.36	-	128.78
Sub-total	700.06	0.71	-	(33.91)	-	12.86	1.59	(0.09)	-	14.36	-	652.49
Buildings	3335.56	252.95	-	1.18	0.20	762.25	108.39	-	0.62	2.59	868.87	2629.31
Plant & equipment												
Owned	9194.36	1789.09	0.02	-	0.63	5040.61	1228.24	0.02	-	160.82	6108.67	4670.14
Leased out	162.72	-	-	-	-	162.55	-	-	-	150.89	11.66	-
Sub-total	9357.08	1789.09	0.02	-	0.63	5203.16	1228.24	0.02	-	311.71	6120.33	4670.14
Computers	595.30	87.13	24.51	-	0.03	458.99	63.86	20.36	-	22.65	520.59	162.79
Office equipment	309.12	30.29	1.06	-	0.15	239.44	31.81	0.98	-	7.62	264.76	67.82
Furniture and fixtures	160.73	10.36	0.13	-	0.02	114.54	13.15	0.12	-	2.99	124.84	42.12
Vehicles	259.46	31.28	0.25	-	0.12	155.87	27.37	0.25	-	19.46	164.15	102.77
Other assets												
Ships	286.37	37.14	-	-	-	92.12	21.31	-	-	-	113.43	210.08
Dredged Channel	679.69	-	-	-	-	296.37	29.54	-	-	-	325.91	353.78
Breakwater structures	226.00	-	-	-	-	41.46	5.01	-	-	-	46.47	179.53
Aircraft	195.22	-	-	-	-	58.34	10.48	-	-	-	68.82	126.40
Leasehold Improvements	4.75	8.06	-	-	-	0.62	2.01	-	-	-	2.63	10.18
Sub-total	1392.03	45.20	-	-	-	488.91	68.35	-	-	-	557.26	557.26
Total	16109.34	2247.01	25.97	(32.73)	1.15	7436.02	1542.76	21.73	0.53	367.02	8635.16	9207.41
Add: Capital work-in-progress	1938.38	1718.38	-	(593.33)	-	-	-	-	-	-	-	1397.04
												10604.45

\* Transfer within property, plant and equipment and Transfer (to) / from investment property/inventories

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [2]

#### Property, Plant and Equipment & Capital work-in-progress (contd.)

- a) Additions during the year and capital work-in-progress include ₹ 55.23 crore (previous year ₹ 52.30 Crore) being borrowing cost capitalised in accordance with Accounting Standard (Ind AS) 23 on "Borrowing Costs".
- b) The rate used to determine the amount of borrowing costs eligible for capitalisation is 7.30% (previous year: 7.29%).
- c) Owned assets given on operating lease have been presented separately under respective class of assets as "Leased out" pursuant to Ind AS 116 "Leases".
- d) Out of its leasehold land at Hazira, the Company has given certain portion of land for the use to its joint venture company and the lease deed is under execution.
- e) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets.
- a. Estimated useful life of the following assets is in line with useful life prescribed in schedule II of the Companies Act, 2013:

Sr. No.	Asset class	Minimum useful life (in years)	Maximum useful life (in years)
1.	Buildings	3	60
2.	Plant and equipment	8	15
3.	Computer	3	6
4.	Office equipment	4	5
5.	Furniture & fixture	10	10
6.	Vehicles	8	10
7.	Ships	14	14

- b. Estimated useful life of following assets is different than useful life as prescribed in schedule II of the Companies Act, 2013.

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Aircrafts	—	20	18
2.	Vehicles	Motor cars	8	7

- A Assets used in Heavy Engineering Business (Hi-Tech Manufacturing segment):

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Plant & equipment	Boring/Rolling/Drilling/Milling machines	15	10-30
		Modular furnace	15	5-15
		Other furnaces	15	5-30
		Horizontal autoclaves	15	10-30
		Load bearing structures	15	50
		Flushing facility	15	3
		Cranes	15	10-30
2.	Roads	Carpeted roads-other than RCC	5	5-15

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [2]**
**Property, Plant and Equipment & Capital work-in-progress (contd.)**

- B. Assets used in Shipbuilding Business: (a part of Precision Engineering System under the Hi-Tech Manufacturing segment):

Asset category		Useful life as per Schedule II (in years)	Revised useful life adopted based on technical evaluation (in years)
(1)	Breakwater structures		
	(a) Breakwater, Rock bund & Finger Jetties	30*	50
(2)	Dredged channel		
	(a) Ship lift structures, Control system, Chiller units, Condition monitoring system, Ship position system, Ship transfer system, other ship lift related items.	15*	20
	(b) Land berth and piled platforms	30*	40
	(c) Tower cranes	15	25
(3)	Plant and equipment		
	(a) Rails	15	20
	(b) Diesel generator	15	12
	(c) Air-Conditioner & refrigeration equipment	15	12
(4)	Buildings		
	(a) Production shops	30	50
	(b) Internal roads	5	15
(5)	Vehicles - Motor cars	8	7

\*Represents license period as per agreement executed with the Tamil Nadu Maritime Board, renewable on expiry.

- C. Assets used in Precision Engineering System (a part of Hi-Tech Manufacturing segment):

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Buildings	Factory buildings	30	2 – 60 *
		Non-Factory buildings	3 – 60	2 – 60 *
2.	Plant & Equipment	General	8 - 15	5 – 30
		Electrical installation	10	2 – 20 *
3.	Office Equipment		4 – 5	4 – 10
4.	Furniture & Fixture		10	10 – 20
5.	Vehicles	Motor cars (Including Electrical vehicle and bicycles)	8	7-14

\* Assets which are project specific are depreciated over the project tenure.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [2]

#### Property, Plant and Equipment & Capital work-in-progress (contd.)

##### D. Assets used in Infrastructure business:

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Office equipment	Assets deployed at project site	5	3
2.	Air conditioning and refrigeration equipment	Assets deployed at project site	15	3
3.	Canteen equipment	Assets deployed at project site	15	3
4.	Laboratory equipment	Assets deployed at project site	10	3
5.	Photographic equipment	Assets deployed at project site	15	3
6.	Computers	Assets deployed at project site	3 – 6	3

In addition to above:

1. Plant and equipment which are project specific and deployed at project sites, with useful life of 15 years as per Schedule II, are depreciated over the project duration of 2-4 years.
2. Any asset purchased for project site with acquisition value less than ₹ 50000 for above 6 categories of asset, full cost is depreciated in the same financial year.

##### E. Assets used in Hydrocarbon business (a part of Energy segment):

Category	Sub class	Useful life as per Schedule II (in years)	Useful life adopted (in years)
Buildings	Office building	60	5-60
	Housing colony	50	
Ships		20	15-25
Software	Specialized software	6	2-6
Plant and equipment	Crane 250 Tonnes	12	20
	Jetty construction	12	30
	Land development	12	30
	Minor Plant & Machinery	12	2-15
	Tunnelling and transmission line Equipments	10	2-15
	Cranes < 100 tons & Heavy lift Equipment	15	2-15
	Road making equipment, Crushing Equipment	15	2-15
	Piling, welding and pipeline Equipment	15	2-15
	Earth-moving equipment	15	2-15
	Computers Laptop/Desktop	3	3-6
	Servers & Storage & Network switches & Routers	6	
	Office equipments Fax/Printers/Scanner (MFD), Desktop inkjet/ LaserJet printers, Switches audio video & Projectors=	4	3-6
	Other office equipments	5	3-6
	Water cooler	5	3-6
	Assets deployed at project sites	5	3-6

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [2]**
**Property, Plant and Equipment & Capital work-in-progress (contd.)**

Category	Sub class	Useful life as per Schedule II (in years)	Useful life adopted (in years)
Air-condition and Refrigeration	Assets deployed at office	12	3-12
	Assets deployed at project sites		
Canteen equipments	Assets deployed at office	8	8
	Assets deployed at project sites		
Photographic equipments	Assets deployed at office	15	3
	Assets deployed at project sites		
Laboratory equipments	Assets deployed at office	15	8-12
	Assets deployed at project sites		
Electrical installations	HT/LT ELECTRIC SUB-STATION IN MFF II	10	6-22
	Others	10	3-6
Furniture and Fixtures	Assets deployed at office	10	2-10
Vehicles	Buses & Trucks	8	5-10
	Cars	7	5-10
	Jeeps	7	5-10
	Motorcycles	10	5-10

(i) Assets with acquisition value less than ₹ 5000/- is depreciated fully in the financial year of acquisition

(ii) P&M & Office equipment at project sites costing below ₹ 50000/- is depreciated fully in the financial year of acquisition.

f) Carrying value of Property, plant and equipment hypothecated as collateral for certain borrowings and / or commitments as at March 31, 2025 - NIL (as at March 31, 2024: NIL)

g) Ageing of Capital work-in-progress

₹ crore

Particulars	As at 31-3-2025					As at 31-3-2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	719.54	247.22	49.83	100.74	1117.33	854.54	467.43	66.05	9.02	1397.04

As on the date of the balance sheet, there are no projects whose completion is overdue or has exceeded the cost, based on approved plan.

h) Title deeds of Immovable Properties not held in name of the Company.

Description of property	Gross carrying value as at March 31, 2025 (₹ crore)	Carrying value in the financial statements as at March 31, 2025 (₹ crore)	Title deeds held in name of	Whether title deed holder is a promoter, director or their relative or employee	Property held since which date	Reason for not being held in name of Company
Freehold Land-Hazira West	1.01	1.01	Heirs of Magan Prema and Magan Kuber*	No	13 years (Since 2012)	Land acquired from farmers through Government Acquisition Route. The formalities are pending from the authorities side.

\* Irrevocable Power of Attorney given to L&T by the owners, possession is with the Company.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [3]

#### Investment Property

₹ crore

Class of assets	Cost					Depreciation					Book Value		
	As at 1-4-2024	Additions	Transfer*	Classified as Held for Sale	Deductions	As at 31-3-2025	As at 31-3-2024	For the period	Transfer*	Classified as Held for Sale	Deductions	As at 31-3-2025	As at 31-3-2025
Land	198.26	1.22	(22.33)	0.22	–	176.93	0.10	0.01	–	–	–	0.11	176.82
Buildings	483.54	302.57	17.80	117.91	0.46	685.54	113.77	21.80	8.18	22.28	0.45	121.02	564.52
<b>Total</b>	681.80	303.79	(4.53)	118.13	0.46	862.47	113.87	21.81	8.18	22.28	0.45	121.13	741.34
Add: Investment Property under construction	593.33	419.31	–	16.10	430.72	565.82	–	–	–	–	–	–	565.82
													1307.16

\* Transfer (to)/from Property plant &amp; equipment / Inventory

₹ crore

Class of assets	Cost					Depreciation					Book Value		
	As at 1-4-2023	Additions	Transfer*	Classified as Held for Sale	Deductions	As at 31-3-2024	As at 31-3-2023	For the period	Transfer*	Classified as Held for Sale	Deductions	As at 31-3-2024	As at 31-3-2024
Land	181.79	–	16.47	–	–	198.26	–	0.01	0.09	–	–	0.10	198.16
Buildings	483.93	0.87	(1.18)	–	0.08	483.54	97.15	17.26	(0.62)	–	0.02	113.77	369.77
<b>Total</b>	665.72	0.87	15.29	–	0.08	681.80	97.15	17.27	(0.53)	–	0.02	113.87	567.93
Add: Investment Property under construction	–	144.20	593.33	144.20	–	593.33	–	–	–	–	–	–	593.33
													1161.26

\* Transfer (to)/from Property plant &amp; equipment / Inventory

- (a) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Sr. No	Class of assets	Minimum useful life (in years)	Maximum useful life (in years)
1.	Buildings	3	60

- (b) Disclosure pursuant to Ind AS 40 “Investment Property”

- (i) Amount recognised in the Statement of Profit and Loss for investment property:

₹ crore

Sr. No.	Particulars	2024-25	2023-24
1	Rental income derived from investment property	159.49	136.68
2	Direct operating expenses pertaining from investment property that generated rental income	40.89	36.33

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [3]**
**Investment Property (contd.)**

(ii) Details with respect to fair valuation of Investment property:

₹ crore

Particulars	2024-25	2023-24
Fair valuation by:		
(i) independent registered valuers <sup>[1]</sup>	3140.77	2788.12
(ii) independent unregistered valuers <sup>[1]</sup>	17.38	75.00
(iii) internal architectural department	1832.72	2181.94
Total fair value	4990.87	5045.06

<sup>[1]</sup> Independent valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017

Note: Above valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

(iii) Ageing of Investment Property under construction

₹ crore

Particulars	As at 31-3-2025					As at 31-3-2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	275.73	166.85	87.62	35.62	565.82	356.91	170.82	32.83	32.77	593.33

As on the date of the balance sheet, there are no projects whose completion is overdue or has exceeded the cost, based on approved plan.

**NOTE [4]**
**Goodwill**

₹ crore

Class of assets	Cost		Impairment		Book value	
	As at 1-4-2024	Business combination	As at 31-03-2025		As at 31-03-2025	
Goodwill <sup>[1]</sup>	121.86	–	–		121.86	

Class of assets	Cost		Impairment		Book value	
	As at 1-4-2023	Business combination	As at 31-03-2024		As at 31-03-2024	
Goodwill <sup>[1]</sup>	47.29	74.57	–		121.86	

<sup>[1]</sup> The above goodwill is attributed to Energy Hydrocarbon business (a part of Energy project segment)

**Other Intangible assets & Intangible assets under development**

₹ crore

Class of assets	Cost			As at 31-3-2025	Up to 31-3-2024	Amortisation		Book Value	
	As at 1-4-2024	Additions	Deductions			For the year	Deductions	Up to 31-3-2025	As at 31-3-2025
<b>Intangible assets</b>									
Specialised software	315.20	20.32	3.65	331.87	265.68	19.53	3.64	281.57	50.30
Technical know-how	135.53	–	–	135.53	108.72	24.08		132.80	2.73
New Product Design and Development	6.26	–	–	6.26	6.26	–		6.26	–
Platforms and Courses	134.40	12.81	1.85	145.36	58.31	33.35	1.22	90.44	54.92
Sub-Total	591.39	33.13	5.50	619.02	438.97	76.96	4.86	511.07	107.95
Add: Intangible assets under development	26.63	17.27	22.14	21.76	–	–	–	–	21.76
									129.71

\* Transfer within other intangible assets



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [4]

#### Other Intangible assets & Intangible assets under development (contd.)

Class of assets	Cost					Amortisation				Book Value	
	As at 1-4-2023	Additions	Business Combination	Deductions	As at 31-3-2024	Up to 31-3-2023	For the period	Business Combination	Deductions	Up to 31-3-2024	As at 31-3-2024
<b>Intangible assets</b>											
Specialised software	282.38	21.37	11.45	–	315.20	236.99	17.33	11.36	–	265.68	49.52
Technical know-how	99.85	35.68	–	–	135.53	88.04	20.68	–	–	108.72	26.81
New Product Design and Development	6.26	–	–	–	6.26	6.26	–	–	–	6.26	–
Platforms and Courses	116.86	17.54	–	–	134.40	27.25	31.06	–	–	58.31	76.09
Sub-Total	505.35	74.59	11.45	–	591.39	358.54	69.07	11.36	–	438.97	152.42
Add: Intangible assets under development	16.39	42.92	–	32.68	26.63	–	–	–	–	–	26.63
											179.05

\* Transfer within other intangible assets

#### (a) Additions during the year

Class of assets	FY 2024-25			FY 2023-24		
	Internal development	Acquired - external	Total	Internal development	Acquired - external	Total
Specialised Software	–	20.32	20.32	–	21.37	21.37
Technical know-how	–	–	–	–	35.68	35.68
Platforms and Courses	12.07	0.74	12.81	16.22	1.32	17.54
Total	12.07	21.06	33.13	16.22	58.37	74.59

- (b) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Sr. No	Class of assets	Minimum useful life (in years)	Maximum useful life (in years)
1.	Specialised Software	2	8
2.	Technical know-how	5	8
3.	Platforms and Courses	3	4

#### (c) Ageing of Capital work-in-progress

Particulars	As at 31-3-2025					As at 31-3-2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	15.29	5.67	0.80	–	21.76	21.66	4.97	–	–	26.63

As on the date of the balance sheet, there are no projects whose completion is overdue or has exceeded the cost, based on approved plan.

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [5]**
**Non-current Assets: Financial Assets - Investments**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Investment in:		
(a) Subsidiary companies	31064.57	29942.08
(b) Associate companies	1084.72	4.42
(c) Joint venture companies	607.15	605.92
(d) Other companies	97.44	96.84
	<u>32853.88</u>	<u>30649.26</u>

**Details of Non-current Assets: Financial Assets - Investments**

Particulars	Face value per unit	Number of units		
		As at 31-3-2025	As at 31-3-2025	As at 31-3-2024
	₹		₹ crore	₹ crore
<b>Investments in:</b>				
<b>(a) Subsidiary companies:</b>				
<b>(i) Investments in fully paid equity instruments:</b>				
LTIMindtree Limited (quoted)	1	20,31,69,279	9,675.98	9,675.98
L&T Technology Services Limited (quoted)	2	7,79,86,899	805.25	805.25
L&T Finance Limited (quoted)	10	1,65,25,30,125	6,146.42	5,918.65
L&T Metro Rail (Hyderabad) Limited	10	7,41,29,99,999	7,412.99	7,412.99
L&T Power Development Limited	10	2,28,96,63,205	2,289.66	2,289.66
L&T Realty Properties Limited (formerly known as L&T Seawoods Limited)	10	1,40,39,79,846	1,394.91	1,394.91
L&T Realty Developers Limited	10	16,71,60,700	107.72	107.72
L&T Valves Limited	100	18,00,000	161.23	161.23
Bhilai Power Supply Company Limited	10	49,950	0.05	0.05
Hi-Tech Rock Products & Aggregates Limited	10	2,65,50,000	26.55	26.55
L&T Aviation Services Private Limited	10	4,56,00,000	45.60	45.60
L&T Capital Company Limited	10	50,000	0.05	0.05
L&T Hydrocarbon Saudi Company LLC [₹ 130.39 (previous year: ₹ 130.39)]	SAR 1000	1,000	0.00	0.00
L&T Energy Green Tech Limited	10	24,50,51,164	245.05	51.05
L&T Electromech LLC [₹ 171.70 (previous year: ₹ 171.70)]	OMR 1	2,10,000	0.00	0.00
L&T Heavy Engineering LLC [₹ 183.89 (previous year: ₹ 183.89)]	OMR 1	39,65,500	0.00	0.00
L&T Modular Fabrication Yard LLC [₹ 171.70 (previous year: ₹ 171.70)]	OMR 1	20,19,230	0.00	0.00
L&T Kuwait Construction General Contracting Company WLL [₹ 66.04 (previous year: ₹ 66.04)]	KWD 1000	980	0.00	0.00
Larsen Toubro Arabia LLC	SAR 1000	7,500	11.08	11.08
L&T Geostructure Private Limited	10	2,47,50,000	318.50	318.50
L&T Construction Equipment Limited	10	19,91,42,091	22.27	22.27
Larsen & Toubro Saudi Arabia LLC	SAR 1000	625	1.05	1.05
L&T Network Services Private Limited	10	1,80,00,000	18.00	9.00
PT Larsen & Toubro	IDR 1000000	25,700	16.46	16.46
Corporate Park (Powai) Private Limited	10	20,03,26,000	200.33	2.05
Business Park (Powai) Private Limited	10	18,80,30,000	188.03	2.05
L&T Global Holdings Limited	USD 100	80,000	53.16	53.16
L&T Semiconductor Technologies Limited	10	18,60,30,000	186.03	9.55
L&T Offshore Private Limited (formerly known as L&T Sapura Offshore Private Limited) <sup>[2]</sup>	10	—	—	0.01
L&T Special Steels & Heavy Forgings Private Limited [Net of provision ₹ 419.28 crore (previous year provision ₹ 419.28 crore)] <sup>[1]</sup>	10	56,66,00,000	—	—
			<u>29,326.37</u>	<u>28334.88</u>

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [5]

### Details of Non-current Assets: Financial Assets - Investments (contd.)

Particulars	Face value per unit	Number of units		
		As at 31-3-2025	As at 31-3-2025	As at 31-3-2024
	₹		₹ crore	₹ crore
<b>(ii) Preference share considered equity as per terms:</b>				
L&T Realty Properties Limited (formerly known as L&T Seawoods Limited)-10% Non-cumulative, optionally convertible redeemable preference shares, March 30, 2027	2	82,60,00,000	826.00	826.00
L&T Realty Properties Limited (formerly known as L&T Seawoods Limited)-10% Non-cumulative, optionally convertible redeemable preference shares, May 12, 2027	2	4,80,00,000	48.00	48.00
L&T Realty Properties Limited (formerly known as L&T Seawoods Limited)-10% Non-cumulative, optionally convertible redeemable preference shares, July 14, 2027	2	4,22,50,000	42.25	42.25
L&T Realty Properties Limited (formerly known as L&T Seawoods Limited)-10% Non-cumulative, optionally convertible redeemable preference shares, September 3, 2027	2	4,20,00,000	42.00	42.00
L&T Realty Developers Limited - 12% Non-cumulative optionally convertible redeemable at par preference shares, May 26, 2025	10	64,83,00,000	648.30	648.30
L&T Semiconductor Technologies Limited - 7.5% Non-cumulative optionally convertible redeemable at par preference shares, August 20, 2044	10	2,62,00,000	131.00	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2035 [Net of provision ₹ 78.33 crore] <sup>[1]</sup>	10	21,00,00,000	—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2036 [Net of provision ₹ 97.91 crore] <sup>[1]</sup>	10	24,00,00,000	—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2037 [Net of provision ₹ 84.41 crore] <sup>[1]</sup>	10	19,20,00,000	—	—
			1737.55	1606.55
<b>(iii) Other deemed equity investment:</b>				
L&T Aviation Services Private Limited			0.65	0.65
			0.65	0.65
<b>(iv) Preference shares considered as fair value of debt portion:</b>				
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2035 [Net of provision ₹ 77.77 crore] <sup>[1]</sup>	10	21,00,00,000	—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2036 [Net of provision ₹ 79.12 crore] <sup>[1]</sup>	10	24,00,00,000	—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2037 [Net of provision ₹ 56.28 crore] <sup>[1]</sup>	10	19,20,00,000	—	—
			—	—
<b>Total - (a) = (i)+(ii)+(iii)+(iv)</b>			31064.57	29942.08
<b>(b) Associate companies:</b>				
Gujarat Leather Industries Limited [Net of provision ₹ 0.56 crore]	10	7,35,000	—	—
Magtorq Private Limited	100	9,000	4.42	4.42
E2E Networks Limited (quoted)	10	29,79,579	1080.30	—
			1084.72	4.42
<b>(c) Joint Venture companies:</b>				
<b>(i) Investments in fully paid equity instruments:</b>				
L&T Howden Private Limited	10	1,50,30,000	15.03	15.03
L&T Sapura Shipping Private Limited	10	9,53,11,850	95.31	95.31
L&T - MHI Power Boilers Private Limited	10	11,93,91,000	119.39	119.39
L&T - MHI Power Turbine Generators Private Limited	10	36,24,06,000	362.41	362.41
L&T Special Steels and Heavy Forgings Private Limited (previous year net of provision ₹ 419.29 crore) <sup>[1]</sup>	10	—	—	—
L&T-Sargent & Lundy Limited	10	27,82,736	0.82	0.82
Raykal Aluminum Company Private Limited	10	37,750	0.04	0.04
L&T MBDA Missile Systems Limited	10	5,10,000	0.51	0.51
GH4India Private Limited	10	10,00,000	1.00	1.00
			594.51	594.51

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [5]**
**Details of Non-current Assets: Financial Assets - Investments (contd.)**

Particulars	Face value per unit	Number of units		
		As at 31-3-2025	As at 31-3-2025	As at 31-3-2024
	₹		₹ crore	₹ crore
<b>(ii) Other deemed equity investment:</b>				
L&T - MHI Power Boilers Private Limited			2.24	2.24
L&T - MHI Power Turbine Generators Private Limited			10.40	9.13
			12.64	11.37
<b>(iii) Preference shares-(equity portion):</b>				
Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) -(Series 1 Compulsorily Convertible Preference Shares, maturity 10 years- January 11, 2033) (Bonus shares)	10		—	—
Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) -(Series 2 Compulsorily Convertible Preference Shares, maturity 10 years- January 11 2033) (Bonus shares)	10		—	—
Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) -(Series 3 Compulsorily Convertible Preference Shares, maturity 10 years- January 11, 2033) (Bonus shares)	10		—	—
Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) -(Series 4 Compulsorily Convertible Preference Shares, maturity 10 years- January 11, 2033)	10		—	0.04
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2024 [previous year provision ₹ 78.33 crore] <sup>[1]</sup>	10		—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2025 [previous year provision ₹ 97.91 crore] <sup>[1]</sup>	10		—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2026 [previous year provision ₹ 84.41 crore] <sup>[1]</sup>	10		—	—
			—	0.04
<b>(iv) Preference shares considered as fair value of debt portion:</b>				
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2024 [previous year provision ₹ 77.77 crore] <sup>[1]</sup>	10		—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2025 [previous year provision ₹ 79.12 crore] <sup>[1]</sup>	10		—	—
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2026 [previous year provision ₹ 56.28 crore] <sup>[1]</sup>	10		—	—
			—	—
<b>Total - (c) = (i)+(ii)+(iii)+(iv)</b>			607.15	605.92
<b>(d) Other companies:</b>				
International Seaport Dredging Limited [Net of provision ₹ 15.90 crore (previous year provision ₹ 15.90 crore)]	10000	15,899	—	—
BBT Elevated Road Private Limited	10	1,00,000	0.10	0.10
Utmal Multi purpose Service Co-operative Society Limited (B Class) (non-trade investments) [₹ 30,000 (previous year: ₹ 30,000)]	100	300	0.00	0.00
Tidel Park Limited	10	40,00,000	90.43	86.59
VP Global Fibre and Yarns Private Limited [₹ 13,600 (previous year: ₹ 13,600)]	100	136	0.00	0.00
New Vision Wind Power Private Limited [₹ 29,190 (previous year: ₹ 23,420)]	10	2,919	0.00	0.00
The New India Assurance Company Limited (quoted)	10	4,45,803	6.91	10.14
Kalyan Halol-Shamlaji Tollway Limited [Net of provision ₹ 1000 (previous year ₹ 1000)]	10	100	—	—
Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) -(Series 1 Compulsorily Convertible Preference Shares, maturity 10 years- January 11, 2033) (Bonus shares)	10	25,500	—	—
Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) -(Series 3 Compulsorily Convertible Preference Shares, maturity 10 years- January 11, 2033) (Bonus shares)	10	25,500	—	—
Indian Foundation for Quality Management [charged off]	10	1,25,00,000	—	—
			97.44	96.84
<b>Total Non Current Investment = (a)+(b)+(c)+(d)</b>			32853.88	30649.26

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [5] (contd.)

#### Details of quoted / unquoted investments:

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
(a) Aggregate amount of quoted investments and market value thereof;		
Book Value	17725.78	16417.71
Market Value	152337.70	169041.56
(b) Aggregate amount of unquoted investments;		
Book Value	15128.10	14311.06
(c) Aggregate amount of Impairment in value of investments	909.56	909.56

<sup>[1]</sup> The Company entered into a Joint Venture Termination Agreement with Nuclear Power Corporation of India Limited (NPCIL) on February 18, 2025 for purchase of NPCIL's 26% equity and preference shareholdings in L&T Special Steel and Heavy Forgings Private Limited (LTSSHF) and assignment of NPCIL loan to LTSSHF for a consideration of ₹ 170 crore. Pursuant to this, LTSSHF has become a wholly owned subsidiary of the Company with effect from February 18, 2025.

<sup>[2]</sup> L&T Energy Hydrocarbon Engineering Limited and L&T Offshore Private Limited, wholly owned subsidiaries (Transferors) have been amalgamated with the Company in terms of the scheme approved by National Company Law Tribunal, Chennai and National Company Law Tribunal, Mumbai vide their respective orders dated February 7, 2025 and December 18, 2024. The Appointed Date for the Amalgamation is April 1, 2024

### NOTE [6]

#### Non-current Assets: Financials Assets - Loans

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Unsecured loan and advances to related parties:		
Subsidiary companies, considered good	508.47	401.50
Subsidiary companies, considered doubtful	1270.45	—
Less: Allowance for expected credit loss	1270.45	—
	—	—
Joint venture companies, considered good	218.12	1907.74
Less: Allowance for expected credit loss	—	1730.38
	218.12	177.35
Other loans, considered good :		
Unsecured others loans, considered good	0.08	0.21
	726.67	579.06

### NOTE [7]

#### Non current Assets: Financial Assets - Others

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Unsecured security deposits, considered good:	204.42	211.58
Less: Allowance for expected credit loss	34.92	33.10
	169.50	178.48
Fixed deposits with banks (maturity more than 12 months)	—	17.38
Cash and bank balances not available for immediate use [refer Note 7(a)]	131.07	194.87
Forward contract receivables	136.35	168.83
Embedded derivative receivables	41.55	11.94
Premium receivable on financial guarantee contracts	8.55	24.90
Other receivables <sup>[1]</sup>	489.00	0.44
	976.02	596.84

<sup>[1]</sup> Mainly includes receivables towards litigation matters

## Notes forming part of the Standalone Financial Statements (contd.)

### Note 7(a)

Particulars of cash and bank balances not available for immediate use

		₹ crore	
Sr. No.	Particulars	As at 31-3-2025	As at 31-3-2024
1	Amount received (including interest accrued thereon) from customers of property development business – to be handed over to housing society on its formation.	32.29	30.17
2	Contingency deposit (including interest accrued thereon) received from customers of property development business towards their sales tax liability - to be refunded/ adjusted depending on the outcome of the legal case.	18.96	17.76
3	Other bank balances (including interest accrued thereon) not available for immediate use being security offered for bids submitted, loans availed, acquisition etc.	552.32	563.84
	Total	603.57	611.77
	Less: Amount reflected under Current Assets [refer Note 13]	472.50	416.90
	Amount reflected under other financial assets - non-current [refer Note 7]	131.07	194.87

### NOTE [8]

#### Other non-current assets

		₹ crore	
Particulars		As at 31-3-2025	As at 31-3-2024
Capital advances:			
Secured		4.75	4.21
Unsecured		381.14	44.64
Advance recoverable other than in cash <sup>[1]</sup>		1452.41	1368.99
		1838.30	1417.84

<sup>[1]</sup> Mainly includes indirect tax balances

### NOTE [9]

#### Current Assets: Inventories

		₹ crore	
Particulars		As at 31-3-2025	As at 31-3-2024
Raw materials [includes goods-in-transit ₹ 0.66 crore (previous year: ₹ 10.04 crore)]		380.51	402.09
Components [includes goods-in-transit ₹ 4.79 crore (previous year: ₹ 6.50 crore)]		195.41	220.86
Construction materials [includes goods-in-transit ₹ 30.45 crore (previous year: ₹ 119.58 crore)]		49.72	148.37
Manufacturing work-in-progress		200.50	279.33
Finished goods [includes goods-in-transit ₹ 0.66 crore (previous year: 0.59)]		2.64	0.87
Stock-in-trade [includes goods-in-transit ₹ 88.08 crore (previous year: ₹ 53.45 crore)]		470.16	228.30
Stores and spares [includes goods-in-transit ₹ 5.95 crore (previous year: ₹ 2.56 crore)]		156.78	145.98
Loose tools		6.75	4.70
Property development related work-in-progress		1671.85	2032.37
Property development project - completed property		264.45	58.10
		3398.77	3520.97

Note : During the year ₹ 4.22 crore (previous year: ₹ 18.56 crore) was recognised as expense towards write-down of inventories (net).

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [10]

### Current Assets: Financial Assets - investments

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
(A) Government and trust securities	6694.36	4393.72
(B) Debentures and bonds		
(i) Subsidiary companies	1084.77	758.90
(ii) Joint venture companies	—	736.26
(iii) Other debentures & bonds	6940.87	5307.70
	8025.64	6802.86
(C) Mutual funds	5159.07	1499.59
(D) Collateral borrowing and lending obligation (CBLO)	—	199.96
(E) Commercial paper	417.20	195.79
(F) Certificate of deposits	458.63	1026.85
(G) Preference shares	53.02	—
(H) InvITs	3980.37	2694.57
	24788.29	16813.34

### Details of current investments in Subsidiary companies and Joint venture companies

Particulars	Face value per unit	Number of units		
		As at 31-3-2025	As at 31-3-2025	As at 31-3-2024
	₹		₹ crore	₹ crore
<b>Debentures and Bonds (quoted):</b>				
<b>(i) Subsidiary companies:</b>				
9.00% L&T Finance Limited NCD April 15, 2024	1,000		—	16.72
7.75% L&T Finance Limited NCD July 10, 2025	10,00,000		—	152.70
7.95% L&T Finance Limited NCD July 28, 2025	10,00,000	1,050	111.04	137.30
7.85% L&T Finance Limited NCD July 9, 2025	10,00,000		—	15.82
6.68% L&T Metro Rail (Hyderabad) Limited April 30, 2027	10,00,000	1,720	180.61	436.36
6.37% L&T Metro Rail (Hyderabad) Limited April 30, 2025	10,00,000	7,500	793.12	—
<b>Total- (i)</b>			1084.77	758.90
<b>(ii) Joint Venture companies*:</b>				
8.80% Kudgi Transmission Limited NCD April 25, 2024	10,00,000		—	18.41
8.80% Kudgi Transmission Limited NCD April 25, 2025	10,00,000		—	19.66
8.80% Kudgi Transmission Limited NCD April 25, 2026	10,00,000		—	22.03
8.80% Kudgi Transmission Limited NCD April 25, 2027	10,00,000		—	23.33
9.14% Kudgi Transmission Limited SR-K NCD April 25, 2028	10,00,000		—	26.13
9.14% Kudgi Transmission Limited SR-L NCD April 25, 2029	10,00,000		—	27.57
9.14% Kudgi Transmission Limited SR-M NCD April 25, 2030	10,00,000		—	31.29
9.14% Kudgi Transmission Limited SR-N NCD April 25, 2031	10,00,000		—	32.74
9.14% Kudgi Transmission Limited SR-O NCD April 25, 2032	10,00,000		—	34.18
9.50% Kudgi Transmission Limited SR-P NCD April 25, 2033	10,00,000		—	37.65
9.50% Kudgi Transmission Limited SR-T NCD April 25, 2034	10,00,000		—	40.39
9.50% Kudgi Transmission Limited SR-R NCD April 25, 2035	10,00,000		—	43.97
9.50% Kudgi Transmission Limited SR-S NCD April 25, 2036	10,00,000		—	47.47
9.50% Kudgi Transmission Limited SR-T NCD April 25, 2037	10,00,000		—	49.66
9.50% Kudgi Transmission Limited SR-U NCD April 25, 2038	10,00,000		—	42.14
9.50% Kudgi Transmission Limited SR-V NCD April 25, 2039	10,00,000		—	114.86
9.50% Kudgi Transmission Limited SR-W NCD April 25, 2040	10,00,000		—	124.78
<b>Total- (ii)</b>			—	736.26

\* Divested on April 10, 2024



## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [10] (contd.)**
**Details of quoted / unquoted investments:**

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
(a) Aggregate amount of quoted current investments and market value thereof;		
Book Value	18700.37	13891.15
Market Value	18700.37	13891.15
(b) Aggregate amount of unquoted current investments;		
Book Value (Accounted based on NAV)	5159.07	1499.59
Book Value	928.85	1422.61

**NOTE [11]**
**Current Assets: Financial Assets - Trade receivables**

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Unsecured, considered good	42676.67	40894.55
Less: Allowance for expected credit loss	4346.49	3942.49
	38330.18	36952.06
Credit Impaired	191.18	214.77
Less: Allowance for expected credit loss	191.18	206.32
	—	8.45
	38330.18	36960.51

**[a] Current assets: Financial assets - Trade receivables ageing**

₹ crore

Particulars	As at 31-3-2025						
	Not due	Outstanding for the following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>							
- Considered good	21599.89	10027.74	2437.71	3983.84	1045.93	2640.63	41735.74
- Credit impaired	–	–	–	0.20	2.52	23.96	26.68
<b>Disputed:</b>							
- Considered good	107.73	–	13.10	45.97	60.48	713.66	940.94
- Credit impaired	–	–	–	–	–	164.49	164.49
Gross trade receivables	21707.60	10027.74	2450.81	4030.01	1108.93	3542.74	42867.85
Less: Allowance for expected credit loss							4537.67
Total							38330.18

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [11]

#### [a] Current assets: Financial assets - Trade receivables ageing (contd.)

₹ crore

Particulars	As at 31-3-2024						Total
	Not due	Outstanding for the following periods from the due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed:							
- Considered good	20893.18	10453.59	2437.28	1854.39	1271.25	2577.29	39486.98
- Credit impaired	–	–	0.80	2.52	8.60	38.26	50.18
Disputed:							
- Considered good	105.90	253.74	–	94.10	0.20	953.64	1407.58
- Credit impaired	–	–	–	–	–	164.58	164.58
Gross trade receivables	20999.08	10707.33	2438.08	1951.01	1280.05	3733.77	41109.32
Less: Allowance for expected credit loss							4148.81
Total							36960.51

### NOTE [12]

#### Current Assets: Financials Assets - Cash and cash equivalents

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Balance with banks	2147.90	3027.95
Cheques and draft on hand	281.67	409.56
Cash on hand	3.17	3.42
Fixed deposits with banks (maturity less than 3 months)	1150.81	500.06
	3583.55	3940.99

### NOTE [13]

#### Current Assets: Financials Assets - Other bank balances

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Fixed deposits with banks	150.07	282.43
Earmarked balances with banks-unclaimed dividend	137.78	129.90
Earmarked balances with banks-Section4(2)(1)(D) of RERA <sup>(1)</sup>	2.71	0.75
Cash and bank balances not available for immediate use [refer Note 7(a)]	472.50	416.90
	763.06	829.98

<sup>(1)</sup> Real Estate (Regulation and Development) Act, 2016

# Notes forming part of the Standalone Financial Statements (contd.)

## NOTE [14]

### Current Assets : Financial Assets - Loans

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Unsecured loans and advances to related parties:		
Subsidiary companies, considered good	634.72	36.10
Associate/Joint venture companies, considered good	0.30	26.94
	<u>635.02</u>	<u>63.04</u>

## NOTE [15]

### Current Assets : Financial Assets - Others

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Unsecured security deposits, considered good	528.70	497.72
Less: Allowance for expected credit loss	0.76	0.76
	<u>527.94</u>	<u>496.96</u>
Receivable from related parties:		
Subsidiary companies	1312.49	1040.47
Less: Allowance for expected credit loss	7.15	6.50
	<u>1305.34</u>	<u>1033.97</u>
Joint venture companies	106.27	107.90
Less: Allowance for expected credit loss	0.88	0.87
	<u>105.39</u>	<u>107.03</u>
Other recoverable <sup>[1]</sup>	1069.54	2200.17
Premium receivable on financial guarantee contracts	16.35	25.13
Forward contract receivable	485.75	238.14
Embedded derivative receivable	264.81	158.39
Doubtful advances:		
Deferred credit sale of ships	27.11	27.11
Other loans and advances	181.89	182.98
	<u>209.00</u>	<u>210.09</u>
Less: Allowance for expected credit loss	209.00	210.09
	<u>-</u>	<u>-</u>
	<u>3775.12</u>	<u>4259.79</u>

<sup>[1]</sup> mainly includes receivables from joint operators and other parties

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [16]

#### Other current assets

			₹ crore
Particulars	As at 31-3-2025		As at 31-3-2024
Contract Assets [refer Note 41(d)]			
Unbilled Revenue	35018.65		37890.18
Retention money	13554.30		11886.84
		48572.95	49777.02
Advance recoverable other than in cash <sup>(1)</sup>	8550.05		7765.76
Less: Allowance for expected credit loss	0.99		0.99
		8549.06	7764.77
Government grants receivable		19.12	11.65
		57141.13	57553.44

<sup>(1)</sup> Mainly includes advances to suppliers and indirect tax balances

### NOTE [17]

#### Equity share capital

##### (a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at 31-3-2025		As at 31-3-2024	
	Number of shares	₹ crore	Number of shares	₹ crore
<b>Authorised: <sup>(1)</sup></b>				
Equity shares of ₹ 2 each	40,37,25,00,000	8074.50	40,18,50,00,000	8037.00
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of ₹ 2 each	1,37,51,92,165	275.04	1,37,46,68,619	274.93

<sup>(1)</sup> Pursuant to the approval of Scheme of Amalgamation of merger of L&T Energy Hydrocarbon Engineering Limited ("LTEHE") and L&T Offshore Private Limited ("LTOPL") with the Company, the authorised share capital of both LTEHE and LTOPL is added to the share capital of the Company with effect from appointed date April 1, 2024.

##### (b) Reconciliation of the number of equity shares and share capital:

Particulars	As at 31-03-2025		As at 31-3-2024	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,37,46,68,619	274.93	1,40,54,82,190	281.10
Add: Shares issued on exercise of employee stock options during the year	5,23,546	0.11	4,36,429	0.08
Less: Shares extinguished on buy-back	–	–	3,12,50,000	6.25
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,37,51,92,165	275.04	1,37,46,68,619	274.93

##### (c) Terms/rights attached to equity shares:

The Company has only one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [17]**
**Equity share capital (contd.)**
**(d) Shareholders holding more than 5% of equity shares as at the end of the year: -**

Name of the shareholders	As at 31-3-2025		As at 31-3-2024	
	Number of shares	Shareholding %	Number of shares	Shareholding %
L&T Employees Trust	19,48,87,516	14.17	19,48,87,516	14.18
Life Insurance Corporation of India	18,01,42,821	13.10	15,17,12,116	11.04

The Company's Promoter shareholding as on March 31, 2025 is Nil (previous year: Nil).

**(e) Shares reserved for issue under options outstanding on un-issued share capital:**

Particulars	As at 31-3-2025		As at 31-3-2024	
	Number of equity shares to be issued as fully paid	₹ crore (at face value)	Number of equity shares to be issued as fully paid	₹ crore (at face value)
Employee stock options granted and outstanding <sup>[1]</sup>	10,77,384	0.22 <sup>[2]</sup>	16,29,198	0.33 <sup>[2]</sup>

<sup>[1]</sup> Note 17(i) infra for terms of employee stock option schemes

<sup>[2]</sup> The equity shares will be issued at a premium of ₹ 17.34 crore (previous year: ₹ 27.41 crore)

**(f)** The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2025 are NIL (previous period of five years ended March 31, 2024: NIL shares)

**(g)** The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding last five years ended on March 31, 2025 – NIL (previous period of five years ended March 31, 2024: NIL)

**(h)** The aggregate number of fully paid up equity shares bought back in immediately preceding five years ended March 31, 2025 are 3,12,50,000 (previous period of five years ended March 31, 2024: 3,12,50,000 shares).

**(i) Stock option schemes**
**i. Terms:**

A. The grant of options to the employees under the stock option schemes is on the basis of their performance and other eligibility criteria. During the previous year, the Company had issued the new ESOP series 2006 (B) in which options are vested equally over a period of 4 years. The options are vested equally over a period of 4 years for series 2003(B) and 2006(B), 5 years in the case of series 2006(A), subject to the discretion of the management and fulfillment of certain conditions.

B. Options can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of issue of equity shares. Management has discretion to modify the exercise period.

**ii. The details of the grants under the aforesaid schemes are summarized below:**

Sr. No.	Series reference	2003(B)		2006(A)		2006(B)	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Grant price	₹ 7.80	₹ 7.80	₹ 267.10	₹ 267.10	₹ 267.10	₹ 267.10
2	Grant dates	23-5-2003 onwards		1-7-2007 onwards		08-07-2023 onwards	
3	Vesting commences on	23-5-2004 onwards		1-7-2008 onwards		08-07-2024 onwards	
4	Options granted and outstanding at the beginning of the year	6,08,486	2,14,553	5,47,652	9,60,021	4,73,060	—
5	Options lapsed	6,837	20,995	26,235	53,320	8,800	5,600
6	Options granted	11,108	4,92,308	—	—	2,496	4,78,660
7	Options exercised	1,79,843	77,380	2,45,087	3,59,049	98,616	—
8	Options granted and outstanding at the end of the year, of which	4,32,914	6,08,486	2,76,330	5,47,652	3,68,140	4,73,060
	Options vested	18,519	12,880	1,49,744	2,38,138	19,249	—
	Options yet to vest	4,14,395	5,95,606	1,26,586	3,09,514	3,48,891	4,73,060
9	Weighted average remaining contractual life of options (in years)	5.02	5.78	2.35	2.97	5.31	6.31

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [17]

#### Equity share capital (contd.)

- iii. The number and weighted average exercise price of stock options are as follows:

Particulars	2024-25		2023-24	
	No. of stock options	Weighted average exercise price (₹)	No. of stock options	Weighted average exercise price (₹)
(A) Options granted and outstanding at the beginning of the year	16,29,198	170.25	11,74,574	219.74
(B) Options granted	13,604	55.38	9,70,968	135.63
(C) Options allotted	5,23,546	178.03	4,36,429	221.13
(D) Options lapsed	41,872	224.76	79,915	198.98
(E) Options granted and outstanding at the end of the year	10,77,384	162.91	16,29,198	170.25
(F) Options exercisable at the end of the year out of (E) supra	1,87,512	241.49	2,51,018	253.80

- iv. Weighted average share price at the date of exercise for stock options exercised during the year is ₹ 3493.67 (previous year: ₹ 2945.59) per share.
- v. A. In respect of stock options granted pursuant to the Company's stock options schemes, the fair value of the options is treated as discount and accounted as employee compensation over the vesting period.
- B. Expense on Employee Stock Option Schemes debited to the Statement of Profit and Loss during FY 2023-24 is ₹ 83.83 crore (previous year: ₹ 91.56 crore) [Note 34]. The entire amount pertains to equity-settled employee share-based payment plans. The expenses includes ₹ 0.04 crore (previous year: ₹ 0.09 crore) charged by subsidiary company towards the stock options granted to Company's employees.
- vi. During the year, the Company has recovered ₹ 2.94 crore (previous year: ₹ 2.10 crore) from its subsidiary companies towards the stock options granted to their employees, pursuant to the employee stock option schemes.
- vii. Weighted average fair values of options granted during the year is ₹ 3205.92 (previous year: ₹ 2314.37) per option.
- viii. The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Sr. No.	Particulars	2024-25	2023-24
(i)	Weighted average risk-free interest rate	6.78%	7.05%
(ii)	Weighted average expected life of options	2.91 years	2.75 years
(iii)	Weighted average expected volatility	21.64%	18.64%
(iv)	Weighted average expected dividends over the life of the option	₹ 81.38 per option	₹ 65.90 per option
(v)	Weighted average share price	₹ 3317.04 per option	₹ 2479.86 per option
(vi)	Weighted average exercise price	₹ 55.38 per option	₹ 135.63 per option
(vii)	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company's share price applicable to the total expected life of each option.	

- ix. The balance in share options (net) account as at March 31, 2025 is ₹ 133.10 crore (previous year: ₹ 125.69 crore), including ₹ 19.28 crore (previous year: ₹ 20.78 crore) for which the options have been vested to employees as at March 31, 2025.

#### (j) Capital Management:

The Company continues its policy of a conservative capital structure which has ensured that it retains the highest credit rating even amidst an adverse economic environment. Low gearing levels also enable the Company to navigate business challenges on one hand and raise growth capital on the other. This policy also provides flexibility of fund-raising options for future, which is especially important in times of global economic volatility. The gross debt equity ratio is 0.31:1 as at March 31, 2025 (as at March 31, 2024 0.35:1).

During the previous year ended March 31, 2024, the shareholders had approved the proposal of buyback of equity shares of the Company, as recommended by its Board of Directors. The settlement of all valid bids and extinguishment of equity shares bought back were completed on September 28, 2023.

Accordingly, the Company has bought back 3,12,50,000 equity shares of face value of ₹ 2 each, representing 2.22% of the number of equity shares in the paid-up share capital, at a price of ₹ 3,200 per share aggregating to ₹ 10,000 crore. Consequently, the equity share capital stands reduced by ₹ 6.25 crore. The premium on buyback of ₹ 9993.75 crore, transaction cost (net of tax) with respect to the buyback of ₹ 26.37 crore and the tax on buyback of ₹ 2253.33 crore have been adjusted against securities premium account and free reserves.

During the year ended March 31, 2025, the Company paid the final dividend of ₹ 28 per equity share for the year ended March 31, 2024 amounting to ₹ 3849.57 crore.

The Board of directors, at their meeting held on May 8, 2025 recommended the final dividend of ₹ 34 per equity share for the year ended March 31, 2025 subject to approval from shareholders. On approval, the total dividend outgo is expected to be ₹ 4675.65 crore based on number of shares outstanding as at March 31, 2025.

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [18]**
**Other equity**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Capital reserve <sup>[1]</sup>	10.84	10.84
Capital reserve on business combination <sup>[2]</sup>	(25.77)	(25.77)
Capital redemption reserve <sup>[3]</sup>	266.25	266.25
Securities premium [refer Note 1(ii)(p)]	138.43	50.56
Employee share options (net) [refer Note 1(ii)(r)]		
Employee share options outstanding	197.46	254.72
Deferred employee compensation expense	(64.36)	(129.03)
	133.10	125.69
Debenture redemption reserve <sup>[4]</sup>	—	—
General reserve <sup>[5]</sup>	22717.25	22715.19
Retained earnings	47883.05	41061.19
Foreign currency translation reserve [refer Note 1(ii)(s)(iv)]	(38.31)	(26.66)
Hedging reserve [refer Note 1(ii)(m)(iii)]		
Cash flow hedging reserve	192.11	66.89
Cost of hedging reserve	138.38	(4.68)
	330.49	62.21
Debt instruments through other comprehensive income [refer Note 1(ii)(m)(i)]	205.47	1.67
	<u>71620.80</u>	<u>64241.17</u>

<sup>[1]</sup> Capital reserve: It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the company for business amalgamation transactions in earlier years.

<sup>[2]</sup> Capital reserve on business combination: It arises on transfer of business between entities under common control. It represents the difference, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor.

<sup>[3]</sup> Capital redemption reserve: Created on: (a) Buyback of equity shares out of free reserves and securities premium in accordance with Section 69 of the Companies Act, 2013 (b) Redemption of preference shares out of profits in accordance with Section 55(2)(c) of the Companies Act, 2013.

<sup>[4]</sup> Debenture redemption reserve (DRR): The Ministry of Corporate Affairs vide notification dated August 16, 2019, amended the Companies (Share capital and Debenture) Rules, 2014 by which the Company is no longer required to create DRR towards the debentures issued. Earlier to this amendment, the Company was required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis and the amounts credited to the DRR was not to be utilised by the Company except to redeem debentures. The above amount represents the DRR created out of profits of the Company prior to the said notification.

<sup>[5]</sup> General reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the company.



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [19]

#### Non-current liabilities: Financial Liabilities - Borrowings

₹ crore

Particulars	As at 31-3-2025			As at 31-3-2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Redeemable non-convertible fixed rate debentures [refer Note 19(a)]	–	9286.00	9286.00	–	9792.22	9792.22
Term loan from banks [refer Note 19(b)]	–	–	–	–	2138.92	2138.92
	–	9286.00	9286.00	–	11931.14	11931.14

#### 19(a) Unsecured redeemable non-convertible fixed rate debentures (privately placed):

Sr. No.	Face value per debenture (₹)	Date of allotment	As at 31-3-2025 ₹ crore	As at 31-3-2024 ₹ crore	Interest for the year 2024-25	Terms of repayment for debentures outstanding as on 31-3-2025
1.	1,00,000	Jan 22, 2025	4045.64	–	7.20% p.a. payable annually	Redeemable at face value at the end of 10th year from the date of allotment
2.	1,00,000	Dec 5, 2024	1531.38	–	7.19% p.a. payable annually	Redeemable at face value at the end of 10th year from the date of allotment.
3.	2,50,000	April 25, 2022	483.72	483.93	8.00% p.a. payable annually	Redeemable at face value at the end of 8th year from the date of allotment.
4.	2,50,000	April 23, 2023	483.72	483.93	8.00% p.a. payable annually	Redeemable at face value at the end of 7th year from the date of allotment.
5.	2,50,000	April 23, 2021	483.72	483.73	8.00% p.a. payable annually	Redeemable at face value at the end of 9th year from the date of allotment.
6.	2,50,000	April 23, 2020	483.72	483.69	8.00% p.a. payable annually	Redeemable at face value at the end of 10th year from the date of allotment.
7.	1,00,000	March 28, 2023	2141.10	2142.15	7.725% p.a. payable annually	Redeemable at face value at the end of 5th year from the date of allotment.
8.	1,00,000	November 9, 2023	2059.57	2059.23	7.66% p.a. payable annually	Redeemable at face value at the end of 2nd year from the date of allotment.
9.	1,00,000	November 2, 2023	1603.99	1546.39	7.58% p.a. payable annually	Redeemable at face value at the end of 1st year from the date of allotment.
10.	10,00,000	April 28, 2020	2677.91	2673.77	7.70% p.a. payable annually	Redeemable at face value at the end of 5th year from the date of allotment.

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [19]**
**Non-current liabilities: Financial Liabilities - Borrowings (contd.)**

Sr. No.	Face value per debenture (₹)	Date of allotment	As at 31-3-2025 ₹ crore	As at 31-3-2024 ₹ crore	Interest for the year 2024-25	Terms of repayment for debentures outstanding as on 31-3-2025
11.	1,00,000	June 8. 2023	–	1534.27	7.33% p.a. payable annually	
12.	1,00,000	June 8. 2023	–	1040.80	7.335% p.a. payable annually	
13.	1,00,000	June 8. 2023	–	1058.67	7.38% p.a. payable annually	
14	10,00,000	May 6,2020	–	1544.85	7.25% p.a. payable annually	
Total			15994.50	15535.41		
Less:			6708.50	5743.19	Current maturity of long-term borrowings [refer Note 24]	
			9286.00	9792.22	Non-current borrowings [refer Note 19]	

**19(b) Details of term Loans (Unsecured):**

Sr. No.	As at 31-3-2025 ₹ crore	As at 31-3-2024 ₹ crore	Rate of Interest for the year 2024-25	Terms of repayment of term loan outstanding as on 31-3-2025
1	914.62	892.07	USD SOFR + Spread <sup>[1]</sup>	Repayable on November 30, 2025
2	1282.18	1248.34	USD SOFR + Spread <sup>[1]</sup>	Repayable on April 14, 2025
Total	2196.80	2140.41		
Less:	2196.80	1.49	Current maturity of long-term borrowings [refer Note 24]	
	–	2138.92	Non-current borrowings [refer Note 19]	

<sup>[1]</sup> Represents unsecured term loans obtained in foreign currency.

**NOTE [20]**
**Non-current liabilities: Other financial liabilities**

Particulars	₹ crore	
	As at 31-3-2025	As at 31-3-2024
Forward contract payables	33.87	10.23
Embedded derivative payables	50.83	–
Financial guarantee contracts	9.11	24.93
Due to others (mainly includes liabilities towards capital goods)	49.26	40.65
	143.07	75.81

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [21]

#### Non-current liabilities: Provisions

₹ crore		
Particulars	As at 31-3-2025	As at 31-3-2024
Employee pension scheme	371.37	351.87
Post-retirement medical benefits plan	394.35	345.86
Provision for employee benefits-Others	–	5.70
	<u>765.72</u>	<u>703.43</u>

### NOTE [22]

#### Other non-current liabilities

₹ crore		
Particulars	As at 31-3-2025	As at 31-3-2024
Other Payables (Deferred income on fair valuation of financial instrument)	18.47	22.67
	<u>18.47</u>	<u>22.67</u>

### NOTE [23]

#### Current liabilities: Financial Liabilities-Borrowings

₹ crore						
Particulars	As at 31-3-2025			As at 31-3-2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Loans repayable on demand from banks	–	2.13	2.13	–	0.29	0.29
Short term loan and advances from banks	–	690.89	690.89	–	813.75	813.75
Commercial paper	–	1492.50	1492.50	–	2668.53	2668.53
Loans from related parties:						
Subsidiary companies	–	456.70	456.70	–	1149.41	1149.41
Joint venture companies	–	1.28	1.28	–	207.67	207.67
Collateralized borrowing and lending obligation	1100.08	–	1100.08	25.00	–	25.00
	<u>1100.08</u>	<u>2643.50</u>	<u>3743.58</u>	<u>25.00</u>	<u>4839.65</u>	<u>4864.65</u>

**23(a)** Loans guaranteed by directors Nil (previous year: Nil)

**23(b)** The Company has fund based and non-fund based facilities (viz. bank guarantees, letter of credits and derivatives) from banks. These facilities are secured by hypothecation of inventories and trade receivables. Amount of inventories and trade receivables that are pledged as collateral to the extent of: ₹ 6932.00 crore as at March 31, 2025 (March 31, 2024: ₹ 6932.00 crore)

**23(c)** The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns filed by the Company with such banks or financial institutions are in agreement with the Books of Account of the Company of the respective quarters.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [24]

#### Current liabilities: Financial liabilities - Current maturities of long term borrowings

₹ crore		
Particulars	As at 31-3-2025	As at 31-3-2024
Unsecured:		
Redeemable non-convertible fixed rate debentures [refer Note 19(a)]	6708.50	5743.19
Term loans from banks [refer Note 19(b)]	2196.80	1.49
	<u>8905.30</u>	<u>5744.68</u>

**24(a)** Loans guaranteed by directors Nil (previous year: Nil)

### NOTE [25]

#### Current liabilities: Financial liabilities - Other trade Payables

₹ crore		
Particulars	As at 31-3-2025	As at 31-3-2024
Acceptances	136.97	93.89
Due to related parties:		
Subsidiary companies	1616.19	1198.66
Associate companies	13.97	5.61
Joint venture companies	740.16	1262.81
	<u>2370.32</u>	<u>2467.08</u>
Due to others	35118.54	37307.12
	<u>37625.83</u>	<u>39868.09</u>

#### 25(a) Current liabilities: Financial liabilities - Trade payables ageing

₹ crore							
Particulars	As at 31-3-2025						Total
	Unbilled Dues	Not due	Outstanding for the following periods from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>							
Micro and small enterprises	63.37	993.29	95.64	6.20	2.19	9.47	1170.16
Others	12754.87	18415.93	4951.11	473.94	146.31	880.45	37622.61
<b>Disputed:</b>							
Micro and small enterprises	—	—	—	—	—	—	—
Others	0.52	2.60	—	—	—	0.10	3.22
Total	12818.76	19411.82	5046.76	480.14	148.50	890.02	38795.99

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [25]

#### [a] Current liabilities: Financial liabilities - Trade payables ageing (contd.)

₹ crore

Particulars	As at 31-3-2024						Total
	Unbilled Dues	Not due	Outstanding for the following periods from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>							
Micro and small enterprises	18.05	822.53	26.71	1.96	2.05	1.87	873.17
Others	10703.88	21993.09	5286.52	347.65	290.58	1239.28	39861.00
<b>Disputed:</b>							
Micro and small enterprises	–	–	–	–	–	–	–
Others	–	7.09	–	–	–	–	7.09
Total	10721.93	22822.71	5313.23	349.61	292.63	1241.15	40741.26

### NOTE [26]

#### Current liabilities - Other financial liabilities

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Unclaimed dividend	137.78	129.90
Forward contract payable	303.02	270.74
Embedded derivative payable	27.50	41.64
Financial guarantee contracts	16.82	25.46
Due to others <sup>(1)(2)</sup>	2965.08	3630.09
	<b>3450.20</b>	<b>4097.83</b>

<sup>(1)</sup> Due to directors ₹ 136.71 crore (previous year ₹ 123.61 crore)

<sup>(2)</sup> Mainly includes liability towards employee benefits and capital goods

### NOTE [27]

#### Other current Liabilities

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Contract liabilities [refer Note 41(d)]		
Excess of billing over revenue	17832.67	14337.66
Advances from customers	23491.91	22133.60
	<b>41324.58</b>	<b>36471.26</b>
Other payables <sup>(1)</sup>	3439.55	2816.42
	<b>44764.13</b>	<b>39287.68</b>

<sup>(1)</sup> Mainly includes liabilities towards joint operations, statutory dues and employee benefits

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [28]

#### Current liabilities - Provisions

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Provision for employee benefits:		
Gratuity	128.29	118.93
Compensated absences	722.78	572.53
Employee pension scheme	31.26	30.39
Post-retirement medical benefits plan	19.11	17.76
	901.44	739.61
Others:		
Other Provisions [refer Note 50]	1496.79	1462.44
	2398.23	2202.05

### NOTE [29]

#### Contingent Liabilities

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
(a) Claims against the Company not acknowledged as debts	4522.82	4569.64
(b) Sales tax/GST liability that may arise in respect of matters in appeal	5444.96	1169.35
(c) Excise duty/service tax/customs duty liability that may arise in respect of matters in appeal / challenged by the Company in WRIT	471.52	426.36
(d) Income tax liability (including penalty) that may arise in respect of which the Company is in appeal	2874.20	3380.37
(e) Corporate and bank guarantees for debt given on behalf of Subsidiary companies/joint venture companies	8827.67	8826.56
(f) Corporate and bank guarantees for performance given on behalf of Subsidiary companies/ joint venture companies	114248.77	120947.97
(g) Contingent liabilities, if any, incurred in relation to interests in joint operations	3079.22	3006.66
(h) Share in contingent liabilities of joint operations for which the Company is contingently liable	153.79	123.84
(i) Contingent liabilities in respect of liabilities of other joint operators of joint operations	5055.57	4364.24
(j) Indemnity Bond for performance given on behalf of 3rd party	9.65	56.79

#### Notes:

- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) to (d) above pending resolution of the arbitration / appellate proceedings. Further, the liability mentioned in (a) to (d) above includes interest in cases where the company has determined that the possibility of such levy is remote.
- In respect of matters at (e) , the cash outflows, if any, could generally occur up to Three years, being the period over which the validity of the guarantees extends except in a few cases where the cash outflows, if any, could occur any time during the subsistence of the borrowing to which the guarantees relate.
- In respect of matters at (f) , the cash outflows, if any, could generally occur up to six years, being the period over which the validity of the guarantees extends.
- In respect of matters at (g) to (i) , the cash outflows, if any, could generally occur upto completion of projects undertaken by the respective joint operations.
- In respect of matters at (j), the cash outflows, if any, is fully reimbursable by the 3rd party under an agreement entered in to with them

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [30]

#### Commitments

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
(a) Estimated amount of contracts remaining to be executed on capital account (net of advances) on:		
(i) Property, plant and equipment	1118.76	808.81
(ii) Investment property	439.54	219.85
(iii) Intangible assets	7.12	16.73
	1565.42	1045.39
(b) Funding committed by way of equity/loans to subsidiary companies	127.78	239.25
(c) Purchase of additional stake in associate company	327.75	—

### NOTE [31]

#### Revenue from operations

	₹ crore	
Particulars	2024-25	2023-24
Sales and service:		
Construction and project related activity	132540.75	118835.90
Manufacturing and trading activity	4115.19	3852.08
Property development activity	1075.32	509.35
Engineering and service fees	1568.07	115.50
Servicing	1740.09	1614.03
Commission	147.73	141.81
	141187.15	125068.67
Other operational income:		
Net gain/(loss) on sale of investment properties	373.35	—
Lease rentals	149.97	102.96
Income from services to Group companies	124.28	102.30
Premium earned (net) on related forward exchange contracts	43.36	27.82
Miscellaneous Income	630.90	931.61
	1321.86	1164.69
	142509.01	126233.36



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [32]

#### Other income

	₹ crore	
Particulars	2024-25	2023-24
Interest income:		
Subsidiary, joint venture and associate companies	148.80	389.09
Others	1241.26	1333.65
	1390.06	1722.74
Dividend income:		
Subsidiary companies	2930.46	2519.42
Joint venture companies	27.27	129.83
Others	19.54	6.42
	2977.27	2655.67
Net gain/(loss) on fair valuation of investments	317.44	35.08
Net gain/(loss) on sale of investments	139.76	249.70
	457.20	284.78
Net gain/loss on derivatives at fair value through profit or loss	26.94	(23.07)
Net gain/(loss) on sale of property, plant and equipment	34.35	58.68
Lease rentals	48.84	51.22
Miscellaneous income (net of expenses)	734.55	579.68
	5669.21	5329.70

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [33]

#### Manufacturing, construction and operating expenses

	₹ crore	
Particulars	2024-25	2023-24
Cost of raw materials and components consumed:		
Raw materials and components	15409.16	11794.06
Less : Scrap sales	189.26	172.58
	15219.90	11621.48
Construction materials consumed	45457.97	43031.68
Purchase of stock-in-trade	1409.90	1078.54
Stores, spares and loose tools consumed	3060.70	3613.78
Sub-contracting charges	35741.21	30814.82
Changes in inventories of finished goods, work-in-progress and stock-in-trade and property development :		
Closing stock:		
Finished goods	2.64	0.87
Stock-in-trade	470.16	228.30
Work-in-progress	8715.83	10048.69
	9188.63	10277.86
Less : Opening stock:		
Finished goods	0.87	16.77
Stock-in-trade	228.30	364.92
Work-in-progress	10048.69	10308.00
	10277.86	10689.69
	1089.23	411.83
Other manufacturing, construction and operating expenses:		
Power and fuel	2181.21	2440.76
Royalty and technical know-how fees	87.27	127.08
Packing and forwarding	794.28	713.65
Rent hire charges	4525.54	3975.24
Engineering, professional, technical and consultancy fees	2635.04	2069.69
Insurance	761.14	707.37
Rates and taxes	664.86	767.35
Travelling and conveyance	1082.67	973.31
Repairs to plant and equipment	127.69	120.54
Repairs to buildings	70.80	16.69
General repairs and maintenance	828.71	692.53
Bank guarantee charges	338.57	298.95
Provision/(reversal) for onerous construction contracts	(66.72)	86.00
Other provisions/(reversal of provisions)	78.63	19.32
Miscellaneous expenses	566.72	434.07
	14676.41	13442.55
	116655.32	104014.68

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [34]**
**Employee benefits expense**

	₹ crore	
Particulars	2024-25	2023-24
Salaries, wages and bonus	9326.93	8009.22
Contribution to and provision for:		
Provident funds and pension fund	220.55	201.59
Superannuation/employee pension schemes	32.04	26.76
Gratuity funds	96.12	92.59
	348.71	320.94
Expenses on employees stock option schemes	83.83	91.56
Insurance expenses-medical and others	167.33	131.98
Staff welfare expenses	753.92	804.09
Recoveries on account of deputation	(300.64)	(317.63)
	10380.08	9040.16

**NOTE [35]**
**Sales, administration and other expenses**

	₹ crore	
Particulars	2024-25	2023-24
Power and fuel	81.68	81.79
Packing and forwarding	53.06	57.58
Professional fees	650.81	608.91
Audit fees	10.83	8.78
Insurance	70.41	68.92
Rent & hire charges	123.01	114.26
Rates and taxes	124.70	74.95
Travelling and conveyance	388.90	291.70
Repairs to buildings	35.16	20.31
General repairs and maintenance	321.75	340.73
Directors' fees	0.88	1.06
Telephone, postage and telegrams	115.36	116.73
Advertising and publicity	100.27	79.67
Stationery and printing	50.60	45.68
Commission:		
Commission	24.67	19.96
Bank charges	86.55	81.55
Miscellaneous expenses	644.00	620.87
Bad debts and advances written off(net of written back)	520.55	592.33
Less: Allowance for expected credit loss written back	499.52	546.44
	21.03	45.89
Corporate social responsibility	164.61	150.98
Allowance for expected credit loss (net)	946.66	969.01
Exchange (gain)/loss (net)	(50.42)	(99.89)
Provision/(reversal of provision) on loans given to subsidiary	—	(70.24)
Provision/(reversal of provision) on investments in joint venture <sup>(1)</sup>	(1622.03)	—
Loss on divestment of equity shares in joint venture <sup>(1)</sup>	1622.88	—
Other provisions/(reversal of provisions)	(12.96)	(116.87)
Recoveries from subsidiary and associates	(67.04)	(63.09)
	3885.36	3449.24

<sup>(1)</sup> Refer note 39(a)

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [35a]

Aggregation of expenses disclosed vide Note 33 -Manufacturing ,construction and operating expenses ,Note 34 -Employee benefits expense and Note 35 - Sales, administration and other expenses.

₹ crore

Sr. No.	Nature of expenses	2024-25				2023-24			
		Note 33	Note 34	Note 35	Total	Note 33	Note 34	Note 35	Total
1	Power and fuel	2181.21	–	81.68	2262.89	2440.76	–	81.79	2522.55
2	Packing and forwarding	794.28	–	53.06	847.34	713.65	–	57.58	771.23
3	Insurance	761.14	167.33	70.41	998.88	707.37	131.98	68.92	908.27
4	Rent hire charges	4525.54	–	123.01	4648.55	3975.24	–	114.26	4089.50
5	Rates and taxes	664.86	–	124.70	789.56	767.35	–	74.95	842.30
6	Travelling and conveyance	1082.67	–	388.90	1471.57	973.31	–	291.70	1265.01
7	Repairs to buildings	70.80	–	35.16	105.96	16.69	–	20.31	37.00
8	General repairs and maintenance	828.71	–	321.75	1150.46	692.53	–	340.73	1033.26
9	Miscellaneous expenses	566.72	–	644.00	1210.72	434.07	–	620.87	1054.94

### NOTE [36]

#### Finance costs

₹ crore

Particulars	2024-25	2023-24
Interest expenses	2191.93	2396.49
Exchange loss	3.53	9.34
	<u>2195.46</u>	<u>2405.83</u>

### NOTE [37]

#### Depreciation, amortisation, impairment and obsolescence

₹ crore

Particulars	2024-25	2023-24
Depreciation on:		
Property plant and equipment	1711.27	1544.62
Investment property	21.81	17.27
	<u>1733.08</u>	<u>1561.89</u>
Amortisation of:		
Intangible assets	76.96	69.37
Right-of-use assets	136.69	114.31
	<u>213.65</u>	<u>183.68</u>
Obsolescence on property, plant and equipment	16.29	7.60
	<u>1963.02</u>	<u>1753.17</u>

### NOTE [38]

Disclosure pursuant to Ind AS 103 “Business Combinations”:

L&T Energy Hydrocarbon Engineering Limited (“LTEHE”) and L&T Offshore Private Limited (“LTOPL”), both wholly owned subsidiaries, merged with the Company under a Scheme of Amalgamation approved by National Company Law Tribunal, Chennai and National Company Law Tribunal, Mumbai vide their respective orders dated December 18, 2024 and February 7, 2025. The merger was effective from the appointed date April 1, 2024.

LTEHE is engaged in the business of designing, and detailing engineering activity providing integrated ‘design to build’ solutions for large and complex hydrocarbon projects worldwide.

LTOPL operates in the Energy Projects segment with the objective of carrying out installation of offshore structure.

No fresh shares were issued to effect the merger.

Further the merger is accounted using pooling of interest method for LTEHE, involving the following:

- The assets and liabilities of LTEHE were reflected at their carrying amounts. No adjustment was made to reflect the fair values, or recognise any new asset or liability.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [38]

Disclosure pursuant to Ind AS 103 "Business Combinations": (contd.)

- The balance of the Retained earnings appearing in the financial statements of the LTEHE was aggregated with the corresponding balance appearing in the financial statements of the Company.
- Restating the financials of the Company from April 1, 2023

Merger for LTOPL is accounted using asset acquisition method, involving the following:

- Identify and recognise the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for intangible assets) and liabilities assumed.
- The cost of acquisition were allocated to individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase through shares.
- Restating the financials of the Company from April 1, 2024

### NOTE [39]

Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

Assets held for sale as at March 31, 2025, includes mainly building and plant and machinery of ₹ 157.44 crore situated at Faridabad, Haryana. The asset forms part of Realty business which is reported under "Others" segment. (refer Note 40).

Assets and liabilities held for sale as at March 31, 2024, includes:

- The Company entered into a Share Purchase Agreement dated December 16, 2022 to sell its stake in Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) (IDPL), a joint venture, primarily engaged in the development and operation of toll roads and power transmission assets. As on March 31, 2024, the investment in the joint venture is classified as "Held for Sale". Subsequently, the Company completed the sale on April 10, 2024, consequent to completion of customary conditions precedent as per the Share Purchase Agreement.
- Land of ₹ 172.55 crore situated at Mumbai, Maharashtra. The asset forms part of Realty business which is reported under "Others" segment. (refer Note 40).

### NOTE [40]

Disclosure pursuant to Ind AS 108 "Operating Segment"

- Information about reportable segments:

Particulars	For the year ended 31-3-2025			For the year ended 31-3-2024		
	External	Inter-segment	Total	External	Inter-segment	Total
<b>Revenue</b>						
Infrastructure Projects	104095.78	1004.58	105100.36	94441.58	1144.04	95585.62
Energy Projects	24028.12	14.84	24042.96	19354.55	26.34	19380.89
Hi-Tech Manufacturing	9810.34	302.52	10112.86	8195.99	569.32	8765.31
Others	4574.77	49.52	4624.29	4241.24	22.48	4263.72
Sub-total	142509.01	1371.46	143880.47	126233.36	1762.18	127995.54
Inter-segment revenue		1371.46	1371.46		1762.18	1762.18
<b>Total</b>	142509.01	—	142509.01	126233.36	—	126233.36
<b>Segment result [Profit/(loss) before interest and tax]</b>						
Infrastructure Projects			5058.60		4456.02	
Energy Projects			2768.92		2273.70	
Hi-Tech Manufacturing			1470.40		1169.50	
Others			1024.81		511.62	
<b>Total</b>			10322.73		8410.84	
Inter-segment margins on capital jobs			(44.48)		(108.53)	
Unallocable corporate income net of expenditure			5016.19		5003.50	
Finance costs			(2195.46)		(2405.83)	
Exceptional items (net of tax) [Note 59]			474.78		447.99	
<b>Profit before tax</b>			13573.76		11347.97	
Current tax			(2849.97)		(2207.96)	
Deferred tax			146.93		191.40	
<b>Net profit after tax</b>			10870.72		9331.41	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [40]

Disclosure pursuant to Ind AS 108 "Operating Segment" (contd.)

₹ crore

Particulars	Segment Assets		Segment Liabilities	
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024
Infrastructure Projects	80847.03	84034.77	59255.57	62389.84
Energy Projects	17120.03	16604.96	15469.62	11648.66
Hi-Tech Manufacturing	12544.05	10123.18	11,189.90	8916.57
Others	8911.73	8332.93	3999.46	3960.92
<b>Total</b>	<b>119422.84</b>	<b>119095.84</b>	<b>89914.55</b>	<b>86915.99</b>
Unallocable corporate assets/liabilities	68232.79	57908.02	25845.24	25571.77
Inter-segment assets/liabilities	(1239.28)	(1239.80)	(1239.28)	(1239.80)
<b>Total assets/liabilities</b>	<b>186416.35</b>	<b>175764.06</b>	<b>114520.51</b>	<b>111247.96</b>

₹ crore

Particulars	Depreciation, amortisation, impairment & obsolescence included in segment expenses		Other non-cash expenses included in segment expense		Finance cost included in segment expense		Interest income included in segment income		Additions to non-current assets	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	31-3-2025	31-3-2024	31-3-2025	31-3-2024	31-3-2025	31-3-2024	31-3-2025	31-3-2024	31-3-2025	31-3-2024
Infrastructure Projects	1,377.51	1,219.02	42.41	48.14	150.91	231.60	25.97	17.51	1918.28	2044.69
Energy Projects	163.07	148.84	12.67	12.29	—	—	—	—	360.44	760.10
Hi-Tech Manufacturing	215.12	196.41	7.92	7.50	—	—	—	—	279.90	525.86
Others	99.86	79.69	4.66	3.23	—	—	—	—	550.51	764.67
<b>Total</b>	<b>1855.56</b>	<b>1643.96</b>	<b>67.66</b>	<b>71.16</b>	<b>150.91</b>	<b>231.60</b>	<b>25.97</b>	<b>17.51</b>	<b>3109.13</b>	<b>4095.32</b>
Unallocated corporate	107.46	109.21	16.17	20.40	(150.91)	(231.60)	(25.97)	(17.51)	132.92	1007.36
Inter-segment	—	—	—	—	—	—	—	—	(115.70)	(402.68)
<b>Total</b>	<b>1963.02</b>	<b>1753.17</b>	<b>83.83</b>	<b>91.56</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3126.35</b>	<b>4700.00</b>

Note : There is no impairment/reversal of impairment in non-financial assets of the operating segments.

(b) Geographical information

₹ crore

Particulars	Revenue by location of project	
	For the year ended 31-3-2025	For the year ended 31-3-2024
India (i)	101677.83	100100.55
Foreign countries:		
Saudi Arabia	22844.94	12621.66
United Arab Emirates	6181.72	2816.67
Qatar	4039.95	2352.42
Bangladesh	1188.69	1495.57
Kuwait	1381.96	659.22
Other Countries	5193.92	6187.27
<b>Total foreign countries (ii)</b>	<b>40831.18</b>	<b>26132.81</b>
<b>Total (i+ii)</b>	<b>142509.01</b>	<b>126233.36</b>

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [40]**

Disclosure pursuant to Ind AS 108 "Operating Segment" (contd.)

Particulars	Non-current Assets	
	As at 31-3-2025	As at 31-3-2024
India (i)	17387.28	17022.67
Foreign countries (ii)	355.25	201.78
Total (i+ii)	17742.53	17224.45

- (c) Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Company's total revenue.
- (d) The identification of operating segments is consistent with performance assessment and resource allocation by the management.
- (e) Basis of identifying operating segments, reportable segments, segment profit and definition of each reportable segment:
- (i) Basis of identifying Operating segments:  
Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's executive management to make decisions about resource allocation and performance assessment; and (c) for which discrete financial information is available.
- The Company has four reportable segments as described under "segment composition" below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements.
- (ii) Reportable segments  
An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.
- (iii) Segment profit  
Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the corporate executive management.
- (iv) The Segment Composition:-
- **Infrastructure Projects segment** comprises engineering and construction of (a) building and factories, (b) transportation infrastructure, (c) heavy civil infrastructure, (d) power transmission & distribution, (e) renewable, (f) water & effluent treatment and (g) minerals and metals
  - **Energy Projects segment** comprises of (a) Hydrocarbon Onshore and Offshore businesses covering EPC solutions in oil & gas, refineries, petrochemicals & offshore wind energy sectors, from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning, (b) CarbonLite Solutions business covering EPC solutions for power generation plants including power generation equipment with associated systems and/or carbon capture utilisation & utility packages and (c) EPC solutions in green and clean energy space.
  - **Hi-Tech Manufacturing segment** comprises design, manufacture/construct, supply and revamp/retrofit of (a) custom designed, engineered critical equipment & systems to the process plant, nuclear energy and green hydrogen sectors (b) marine and land platforms including related equipment & systems; aerospace products & systems; precision and electronic products & systems for the defence, security, space and industrial sectors.
  - **Others segment** includes (a) realty, (b) smart infrastructure & communication projects, (c) marketing and servicing of construction equipment, mining machinery and parts thereof, (d) manufacture and sale of rubber processing machinery and (e) ecommerce/digital platforms & data centres.



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [41]

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

(a) Disaggregation of revenue into Operating Segments and Geographical areas

i. For the year ended March 31, 2025:

₹ crore

Segment	Revenue as per Ind AS 115			Other Revenue	Total as per Statement of Profit and Loss/ Segment reporting
	Domestic	Foreign	Total		
Infrastructure Projects	75315.00	28427.51	103742.51	353.27	104095.78
Energy Projects	13903.64	10030.81	23934.45	93.66	24028.12
Hi-Tech Manufacturing	7597.66	2199.36	9797.02	13.32	9810.34
Others	3901.41	157.57	4058.99	515.79	4574.77
Total	100717.71	40815.25	141532.97	976.04	142509.01

ii. For the year ended March 31, 2024:

₹ crore

Segment	Revenue as per Ind AS 115			Other Revenue	Total as per Statement of Profit and Loss/ Segment reporting
	Domestic	Foreign	Total		
Infrastructure Projects	77779.56	16315.74	94095.30	346.29	94441.58
Energy Projects	12076.01	6945.08	19021.09	333.46	19354.55
Hi-Tech Manufacturing	5636.42	2530.94	8167.36	28.63	8195.99
Others	3827.17	311.88	4139.05	102.20	4241.24
Total	99319.16	26103.64	125422.80	810.58	126233.36

(b) Out of the total revenue recognised under Ind AS 115 during the year, ₹ 134820.26 crore (previous year: ₹ 119639.81 crore) is recognised over a period of time and ₹ 6712.71 crore (previous year: ₹ 5782.99 crore) is recognised at a point in time.

(c) Movement in Expected Credit Loss during the year:

₹ crore

Particulars	Provision on Trade Receivables		Provision on Contract Assets	
	2024-25	2023-24	2024-25	2023-24
Balance as at April 1	4148.84	3968.78	1957.61	1588.17
Changes in loss allowance for expected credit loss:				
Provision/(reversal) of allowance for expected credit loss	580.16	323.80	70.70	373.92
Additional provision (net)	308.23	402.66	(2.45)	(4.48)
Written off as bad debts	(499.52)	(546.44)	—	—
Balance as at March 31	4537.66	4148.80	2025.85	1957.61

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [41]**

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers" (contd.)

(d) Contract balances:

i. Movement in contract balances during the year.

Particulars	2024-25			2023-24		
	Contract Assets	Contract Liabilities	Net contract balances	Contract Assets	Contract Liabilities	Net contract balances
Opening balance as at April 01	49777.02	36471.26	13305.76	49414.42	30406.02	19008.40
Closing balance as at March 31	48572.95	41324.58	7248.37	49777.02	36471.26	13305.76
Net increase/(decrease)	(1204.07)	4853.32	(6057.39)	362.60	6065.24	(5702.64)

₹ crore

- i. Decrease in net contract balances is primarily due to higher progress bills raised as compared revenue recognition in both the years.
- ii. Revenue recognised from opening balance of contract liabilities amounts to ₹ 16338.48 crore (previous year: ₹ 9505.03 crore)
- iii. Revenue recognised from the performance obligation satisfied (or partially satisfied) upto previous year (arising out of contract modifications) amounts to ₹ 175.16 crore (previous year: ₹ 50.02 crore)

(e) Cost to obtain the contract:

- i. Amortisation in Statement of Profit and Loss: Nil (previous year: Nil)
- ii. Recognised as contract assets at March 31, 2025: Nil (previous year: Nil)

(f) Reconciliation of contracted price with revenue during the year:

Particulars	2024-25	2023-24
Opening contracted price of orders as at start of the year <sup>(1)</sup>	907170.03	824533.00
Add:		
Fresh orders/change orders received (net)	220427.85	159628.00
Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction (net)	12657.38	6414.22
Increase/(decrease) due to exchange rate movements (net)	2781.85	1943.83
Less:		
Orders completed during the year	63768.54	80265.34
On account of business transfer	–	5083.68
Closing contracted price of orders as at the end of the year <sup>(1)</sup>	1079268.57	907170.03
Total Revenue recognised during the year :	141532.97	125422.80
a. Revenue out of orders completed during the year	8905.29	8274.09
b. Revenue out of orders under execution at the end of the year (I)	132627.68	117148.71
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	481660.53	419404.56
Increase/(decrease) due to exchange rate movements (III)	295.08	203.25
Balance revenue to be recognised in future viz. Order book (IV)	464685.28	370413.50
Closing contracted price of orders as at the end of the year[1] (I+II+III+IV)	1079268.57	907170.03

₹ crore

<sup>(1)</sup> including full value of partially executed contracts.

(g) Outstanding performance and Time for its expected conversion into Revenue:

Outstanding performance	Total	Time for expected conversion to Revenue					Beyond 5 years
		Upto 1 Year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	
As at March 31, 2025	464685.28	193540.66	138200.60	75355.61	35337.76	16209.56	6041.09
As at March 31, 2024	370413.50	153658.02	114940.41	45337.64	25327.68	12100.11	19049.65

₹ crore

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [42]

Disclosure pursuant to Ind AS 1 "Presentation of financial statements":

- a. Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

₹ crore

Particulars	Note	As at 31-3-2025			As at 31-3-2024		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories	9	2252.46	1146.31	3398.77	1795.69	1725.28	3520.97
Trade receivables	11	37314.55	1015.63	38330.18	35587.99	1372.52	36960.51
Loans	14	635.03	–	635.03	63.04	–	63.04
Other financial assets	15	3697.70	77.42	3775.12	4117.66	142.13	4259.79
Other current assets	16	47408.03	9733.10	57141.13	42560.86	14992.58	57553.44
Total		91307.76	11972.47	103280.23	84125.24	18232.51	102357.75

- b. Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

₹ crore

Particulars	Note	As at 31-3-2025			As at 31-3-2024		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Trade payables:							
Due to micro enterprises and small enterprises		1170.16	–	1170.16	860.92	12.25	873.17
Due to others	25	36896.12	729.71	37625.83	39331.30	536.80	39868.09
Lease liability		141.01	21.17	162.18	124.83	34.06	158.89
Other financial liabilities	26	3421.59	28.61	3450.20	4075.64	22.19	4097.83
Other current liabilities	27	35939.12	8825.01	44764.13	30421.52	8866.16	39287.68
Provisions	28	2217.02	181.21	2398.23	1979.35	222.71	2202.05
Total		79785.01	9785.71	89570.73	76793.54	9694.16	86487.71

### NOTE [43]

Disclosure with regard to changes in liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows":

₹ crore

Sr No.	Particulars	Non-current borrowings (Note 19)	Current borrowings (Note 23)	Current maturities of long term borrowings (Note 24)	Lease Liability	Total
1	Balance as at April 1, 2023	9390.85	3179.36	5580.88	187.44	18338.53
2	Additions to lease liability	–	–	–	185.21	185.21
3	Changes from financing cash flows	7450.00	1676.97	(4845.00)	(98.70)	4183.27
4	Changes on lease termination/lease concessions	–	–	–	(2.86)	(2.86)
5	The effect of changes in foreign exchange rates	34.15	–	–	0.04	34.19
6	Interest accrued (net of interest paid)	800.82	8.32	(735.88)	–	73.26
7	Other changes (transfer within categories)	(5744.68)	–	5744.68	–	–
8	Balance as at March 31, 2024	11931.14	4864.65	5744.68	271.14	22811.61
9	Additions to lease liability	–	–	–	234.10	234.10
10	Changes from financing cash flows	5500.00	(1120.48)	(4950.00)	(136.03)	(706.51)
11	Changes on lease termination/lease concessions	–	–	–	(8.12)	(8.12)
12	The effect of changes in foreign exchange rates	(0.01)	–	57.48	0.13	57.79
13	Interest accrued (net of interest paid)	(6.21)	(0.59)	(85.98)	–	(92.78)
14	Other changes (transfer within categories)	(8138.92)	–	8138.92	–	–
15	Classified as Held for sale	–	–	–	(0.85)	(0.85)
16	Balance as at March 31, 2025	9286.00	3743.58	8905.30	360.37	22295.24

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [43]**

Disclosure with regard to changes in liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows": (contd.)

Amounts reported in statement of cash flows under financing activities:

	₹ crore	
Particulars	2024-25	2023-24
Proceeds from non-current borrowings	5500.00	7450.00
Repayment of non-current borrowings	(4950.00)	(4845.00)
(Repayments)/Proceeds from other borrowings (net)	(1120.48)	1676.97
Repayment of lease liability	(136.03)	(98.70)
Total changes from financing cash flows (refer to Sr.No 3 & 10 above)	706.51	4183.27

**NOTE [44]**

Disclosure pursuant to Ind AS 12 "Income Taxes":

(a) Major components of tax expense/(income):

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
1.	Profit or Loss section		
	(i) Current Income tax :		
	Current income tax expense	2721.81	2251.84
	Tax expense of earlier years	128.16	(23.05)
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(146.93)	(73.75)
	Income tax expense reported in Profit or Loss [(i)+(ii)]	2703.04	2155.04
2.	Other Comprehensive Income (OCI) Section:		
	(i) Items not to be reclassified to Profit or Loss in subsequent periods:		
	Current tax expense/(income):		
	On remeasurement of defined benefit plans	(67.02)	3.51
		(67.02)	3.51
	(ii) Items to be reclassified to Profit or Loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On gain/(loss) on cash flow hedges other than mark to market	(46.65)	(44.52)
	On foreign currency translation of joint operations	(3.92)	–
		(50.57)	(44.52)
	(B) Deferred Tax:		
	On mark to market gain/(loss) on cash flow hedges	88.21	(5.74)
	Net gain/(loss) on cost of hedge reserve	48.10	0.03
	Net gain/(loss) fair value of debt securities	60.46	39.34
	On foreign currency translation of joint operations	–	(1.74)
		196.77	31.89
	Income tax expense reported in the OCI section [(i)+(ii)]	79.18	(9.12)

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [44]

Disclosure pursuant to Ind AS 12 "Income Taxes": (contd.)

(b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
(1)	Profit before tax (including exceptional items)	13573.76	11486.45
(2)	Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%
(3)	Tax on Accounting profit (3) = (1) * (2)	3416.24	2890.91
(4)	(i) Tax on expenses not tax deductible:		
	(A) Corporate social responsibility	41.43	38.00
	(B) Tax on employee perquisites borne by the company	9.34	12.42
	(ii) Effect of deferred tax asset created on unused tax losses	–	(67.37)
	(iii) Effect of current tax related to earlier years	128.16	(23.05)
	(iv) Effect of lower tax rate on capital gains	(6.63)	(10.59)
	(v) Effect of deduction with respect to dividend income	(749.32)	(668.38)
	(vi) Tax effect on various other items	(136.18)	(16.90)
	Total effect of tax adjustments [(i) to (vii)]	(713.20)	(735.87)
(5)	Tax expense recognised during the year (5)=(3)+(4)	2703.04	2155.04
(6)	Effective tax Rate (6)=(5)/(1)	23.60%	21.92%

(c) (i) Unused tax losses for which no deferred tax asset (DTA) is recognised in Balance Sheet:

Particulars	As at 31-3-2025			As at 31-3-2024		
	Base Amount (₹ crore)	Deferred Tax (₹ crore)	Expiry date	Base Amount (₹ crore)	Deferred Tax (₹ crore)	Expiry date
Capital loss	5804.13	1327.98	FY 2031-32	936.25	214.21	FY 2030-31

(ii) Unrecognised deductible temporary differences for which no deferred tax asset (DTA) is recognised in Balance Sheet

₹ crore					
Sr. No.	Particulars	As at 31-3-2025		As at 31-3-2024	
		Base Amount	Deferred Tax	Base Amount	Deferred Tax
1.	Deductible temporary differences towards provision for diminution in value of investments/loans on which DTA not created	2249.72	469.09	4481.36	1066.88
2.	Temporary differences arising out of revaluation of tax base of assets (on account of indexation benefit)*	—	—	9024.31	2064.76
	Total	2249.72	469.08	13505.67	3131.65

\*Pursuant to amendment in Finance Act 2024, indexation benefit is no longer available on long term capital asset.

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [44]**

Disclosure pursuant to Ind AS 12 "Income Taxes": (contd.)

(d) Components of deferred tax (assets) and liabilities recognised in the Balance Sheet and Statement of Profit and Loss

i. As at March 31, 2025:

₹ crore

Sr. No.	Particulars	As at 31-3-2024	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to Other Comprehensive Income	Debit/(credit) to hedge reserve (other than through OCI)	As at 31-3-2025
1.	Disputed statutory liability claimed on payment basis u/s 43B of the Income Tax Act, 1961	198.84	60.33	—	—	259.17
2.	Items disallowed u/s 43B of Income Tax Act, 1961	(296.32)	(97.94)	—	—	(394.26)
3.	Provision for doubtful debt and advances	(1556.62)	(142.42)	—	—	(1699.04)
4.	Difference in book depreciation and income tax depreciation	165.13	(148.39)	—	—	16.74
5.	Gain/(Loss) on derivative transactions	40.61	—	136.31	(0.05)	176.87
6.	Deferred tax on capital losses	(67.37)	67.37	—	—	—
7.	Other temporary differences	(78.75)	114.12	60.46	—	95.83
	Net deferred tax (assets)/liabilities	(1594.48)	(146.93)	196.77	(0.05)	(1544.69)

ii. As at March 31, 2024:

₹ crore

Sr. No.	Particulars	As at 31-3-2023	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to Other Comprehensive Income	Debit/(credit) to hedge reserve (other than through OCI)	As at 31-3-2024
1.	Disputed statutory liability claimed on payment basis u/s 43B of the Income Tax Act, 1961*	196.11	2.73	—	—	198.84
2.	Items disallowed u/s 43B of Income Tax Act, 1961	(329.63)	33.31	—	—	(296.32)
3.	Provision for doubtful debt and advances*	(1452.02)	(104.60)	—	—	(1556.62)
4.	Difference in book depreciation and income tax depreciation*	246.56	(81.43)	—	—	165.13
5.	Gain/(Loss) on derivative transactions	50.82	—	(5.71)	(4.50)	40.61
6.	Deferred tax on capital losses	(117.65)	50.28	—	—	(67.37)
7.	Other temporary differences*	(142.31)	25.96	37.60	—	(78.75)
	Net deferred tax (assets)/liabilities	(1548.12)	(73.75)	31.89	(4.50)	(1594.48)

\* includes impact on business combination

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

i Defined contribution plans: [Note [1](k)(ii)(A)]: Amount of ₹ 147.83 crore (previous year: ₹ 134.95 crore) is recognized as an expenses.

ii Defined benefit plans: [Note [1](k)(ii)(B)]:

a) The amount recognised in Balance Sheet are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Company pension plan		Trust-managed provident fund plan	
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024
A) Present value of defined benefit obligation								
-Wholly funded	1077.19	828.63	—	—	—	—	4634.00	4258.67
-Wholly unfunded	128.29	118.93	413.45	363.62	402.63	382.26	—	—
	1205.48	947.56	413.45	363.62	402.63	382.26	4634.00	4258.67
Less: Fair value of plan assets	793.70	778.93	—	—	—	—	4860.31	4440.73
Amount to be recognised as liability/(asset)	411.79	168.63	413.45	363.62	402.63	382.26	(226.30) <sup>[2]</sup>	(182.06) <sup>[2]</sup>
B) Amounts reflected in the Balance Sheet:								
Liabilities	411.79	168.63	413.45	363.62	402.63	382.26	40.89	34.99
Assets	—	—	—	—	—	—	—	—
Net liability/(asset)	411.79	168.63	413.45	363.62	402.63	382.26	40.89	34.99
Net liability/(asset) - current	411.79	168.63	19.11	17.76	31.26	30.39	40.89 <sup>[1]</sup>	34.99 <sup>[1]</sup>
Net liability/(asset) - Non current	—	—	394.34	345.86	371.37	351.87	—	—
Net liability/(asset) classified as Held for sale	—	—	—	—	—	—	—	—

<sup>[1]</sup> Employer's and employee's contribution due towards Provident Fund

<sup>[2]</sup> Restricted to NIL

b) The amounts recognised in Statement of Profit and Loss are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Company pension plan		Trust-managed provident fund plan	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1 Current service cost	96.70	92.60	13.97	12.15	2.80	3.14	141.76	119.43
2 Interest cost	54.17	51.82	25.47	22.14	26.36	26.92	346.97	318.32
3 Interest income on plan assets	(52.46)	(46.84)	—	—	—	—	(346.97)	(318.32)
4 Actuarial (gains)/losses - others	232.49	31.05	30.70	(6.22)	16.50	4.72	—	—
5 Actuarial (gains)/losses - difference between actual return on plan assets and interest income	(13.38)	(43.17)	—	—	—	—	(38.80)	(72.85)
6 Past service cost	(0.68)	—	—	47.38	4.02	—	—	—
7 Actuarial gain/(loss) not recognised in books	—	—	—	—	—	—	38.80	72.85
8 Amount capitalized out of the above/recovered from S&A	—	—	—	—	—	—	—	—
Total (1 to 8)	316.84	85.46	70.14	75.45	49.68	34.78	141.76	119.43
i Amount included in "Employee benefits expense"	96.02	92.60	13.97	59.53	6.82	3.14	141.76	119.43
ii Amount included as part of "Finance cost"	1.71	4.98	25.47	22.14	26.36	26.92	—	—
iii Amount included as part of "Other comprehensive income"	219.11	(12.12)	30.70	(6.22)	16.50	4.72	—	—
Total (i+ii+iii)	316.84	85.46	70.14	75.45	49.68	34.78	141.76	119.43
Actual return on plan assets	65.83	90.01	—	—	—	—	385.77	391.17



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" (contd.)

- c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Company pension plan		Trust-managed provident fund plan	
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024
Opening balance of the present value of defined benefit obligation	947.56	869.50	363.62	305.50	382.26	375.27	4258.67	4004.20
Add: Current service cost	96.70	92.60	13.97	12.15	2.80	3.14	141.76	119.43
Add: Interest cost	54.17	51.83	25.47	22.14	26.36	26.92	346.97	318.32
Add: Contribution by plan participants								
i) Employee	—	—	—	—	—	—	358.51	295.22
ii) Transfer-in/(out)	(5.58)	—	—	—	—	—	115.90	64.39
Add/(less): Actuarial (gains)/losses arising from change in:								
i) Demographic assumptions	197.76	2.89	(5.94)	(30.85)	—	—	—	—
ii) Financial assumptions	34.73	38.39	24.11	9.24	13.67	7.58	—	—
iii) Experience adjustments	—	(10.23)	12.53	15.39	2.83	(2.86)	—	—
Less: Benefit paid	(115.36)	(93.71)	(20.31)	(16.00)	(29.30)	(27.80)	(591.66)	(544.64)
Add: Past service cost	(0.68)	—	—	47.38	4.02	—	—	—
Add: Liabilities assumed on transfer of employees		(4.46)		(1.33)	—	—	—	—
Add: Adjustment for earlier years	—	—	—	—	—	—	3.85	1.75
Add/(less): Translation/other adjustments	(3.84)	0.76	—	—	—	—	—	—
Closing balance of the present value of defined benefit obligation	1205.48	947.56	413.45	363.62	402.63	382.26	4634.00	4258.67

- d) The changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Trust-managed provident fund plan	
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024
Opening balance of the fair value of the plan assets	778.93	632.06	4440.73	4089.96
Add: Interest income on plan assets <sup>[1]</sup>	52.46	46.84	346.97	318.32
Add/(less): Actuarial gains/(losses)				
Difference between actual return on plan assets and interest income	13.38	43.17	38.80	72.85
Add: Contribution by the employer	48.95	133.69	138.50	117.18
Add/(less): Transfer in/(out)	(5.56)	—	115.90	64.39
Add: Contribution by plan participants	—	—	362.01	322.68
Add: Business combination/disposal (net)	—	(4.46)	—	—
Less: Benefits paid	(85.01)	(72.37)	(591.66)	(544.64)
Add: Adjustment for earlier years	—	—	9.07	—
Less: Translation/other adjustments	(9.45)	—	—	—
Closing balance of the plan assets	793.70	778.93	4860.31	4440.73

<sup>[1]</sup> Basis used to determine interest income on plan assets:

The Trust formed by the Company manages the investments of provident funds and gratuity fund. Interest income on plan assets is determined by multiplying the fair value of the plan assets by the discount rate determined at the start of the annual reporting period.

The Company expects to fund ₹ 283.09 crore (previous year: ₹ 47.56 crore) towards its gratuity plan and ₹ 159.20 crore (previous year: ₹ 132.84 crore) towards its trust-managed provident fund plan during the year 2024-25.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" (contd.)

- e) The fair value of major categories of plan assets are as follows:

₹ crore

Particulars	Gratuity plan					
	As at 31-3-2025			As at 31-3-2024		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	—	2.93	2.93	—	4.35	4.35
Equity instruments	43.05	—	43.05	46.51	—	46.51
Debt instruments - Corporate Bonds	262.29	—	262.29	249.21	—	249.21
Debt instruments - Central Government Bonds	127.94	—	127.94	126.63	—	126.63
Debt instruments - State Government Bonds	208.46	—	208.46	210.18	—	210.18
Debt instruments - PSU Bonds	17.92	—	17.92	19.16	—	19.16
Mutual funds - Equity	38.96	85.91	124.87	38.94	73.85	112.79
Mutual funds - Debt	—	—	—	—	4.01	4.01
Fixed Deposits	—	4.12	4.12	—	3.84	3.84
Special Deposit Scheme	—	1.48	1.48	—	1.48	1.48
Others	—	0.64	0.64	—	0.78	0.78
Closing balance of the plan assets	698.62	95.08	793.70	690.63	88.30	778.93

₹ crore

Particulars	Trust-managed provident fund plan					
	As at 31-3-2025			As at 31-3-2024		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	—	8.58	8.58	—	9.68	9.68
Equity instruments	182.58	—	182.58	216.31	—	216.31
Debt instruments - Corporate Bonds	1665.45	—	1665.45	1451.76	—	1451.76
Debt instruments - Central Government Bonds	425.89	—	425.89	466.62	—	466.62
Debt instruments - State Government Bonds	1803.83	—	1803.83	1531.53	—	1531.53
Debt instruments - PSU Bonds	62.65	—	62.65	152.42	—	152.42
Mutual funds - Equity	101.50	391.30	492.80	115.39	284.10	399.49
Mutual funds - Debt	—	—	—	—	4.70	4.70
Special Deposit Scheme	—	101.10	101.10	—	123.86	123.86
Invit Instruments	112.97	—	112.97	81.64	—	81.64
Other (Payables)/Receivables	4.43	0.02	4.46	1.15	1.57	2.72
Closing balance of the plan assets	4359.31	501.00	4860.31	4016.83	423.91	4440.73

- f) The average duration (in number of years) of the defined benefit plan obligations at the Balance Sheet date is as follows:

Plans	As at 31-3-2025	As at 31-3-2024
1) Gratuity plan	6.92	6.23
2) Post-retirement medical benefit plan	12.59	12.28
3) Company pension plan	7.37	7.26

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" (contd.)

g) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

Plans	As at 31-3-2025	As at 31-3-2024
i) Discount rate:		
a) Gratuity plan	6.70%	7.18%
b) Post-retirement medical benefit plan	6.70%	7.18%
c) Company pension plan	6.70%	7.18%
ii) Annual increase in healthcare costs (refer Note vii infra)	0.00%	0.00%
iii) Salary Growth rate:		
a) Gratuity plan	8.00%	7.00%
b) Company pension plan	9.00%	9.00%
iv) Attrition Rate:		
a) For gratuity plan the attrition rate varies from 2% to 12% (previous year: 2% to 12%) for various age groups.		
b) For Company pension plan, the attrition rate varies from 0% to 2% (previous year: 0% to 2%) for various age groups.		
c) For post-retirement medical benefit plan, the attrition rate varies from 1% to 14% (previous year: 1% to 14%) for various age groups.		
v) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
vi) The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long-term investments of the fund. Any shortfall in the interest income over the interest obligation is recognized immediately in the Statement of Profit and Loss.		
vii) The obligation of the Company under the post-retirement medical benefit plan is limited to the overall ceiling limits. At present, healthcare cost, as indicated in the principal actuarial assumption given above, has been assumed to increase at 5.00% p.a.		

viii) (A) One percentage point change in actuarial assumptions would have the following effects on the defined benefit obligation of gratuity plan:

₹ crore

Particulars	Effect of 1% increase		Effect of 1% decrease	
	2024-25	2023-24	2024-25	2023-24
Impact of change in salary growth rate	76.55	54.06	(69.45)	(49.17)
Impact of change in discount rate	(70.20)	(48.68)	79.35	54.72

(B) A one percentage point change in actuarial assumptions would have the following effects on the defined benefit obligation of Company pension plan:

₹ crore

Particulars	Effect of 1% increase		Effect of 1% decrease	
	2024-25	2023-24	2024-25	2023-24
Impact of change in discount rate	(27.51)	(25.84)	31.44	29.46

(C) A one percentage point change in actuarial assumptions would have the following effects on the defined benefit obligation of post-retirement medical benefit plan:

₹ crore

Particulars	Effect of 1% increase		Effect of 1% decrease	
	2024-25	2023-24	2024-25	2023-24
Impact of change in Health care cost	8.89	7.53	(9.26)	(7.85)
Impact of change in discount rate	(47.59)	(40.87)	59.29	50.73

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" (contd.)

#### h) Characteristics of defined benefit plans and associated risks:

##### 1 Gratuity plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

The defined benefit plan for gratuity of the Company is administered by separate gratuity funds that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan. There are no minimum funding requirements of these plans. The funding of these plans are based on gratuity fund's actuarial measurement framework set out in the funding policies of the plan. These actuarial measurements are similar compared to the assumptions set out in (g) supra. Employees do not contribute to any of these plans.

Unfunded gratuity represents a small part of gratuity plan which is not material. Further, the unfunded portion includes amounts payable in respect of the Company's foreign operations which result in gratuity payable to employees engaged as per local laws of country of operation.

##### 2 Post-retirement medical care plan:

The Post-retirement medical benefit plan provides for reimbursement of health care costs to certain categories of employees post their retirement. The reimbursement is subject to an overall ceiling sanctioned based on cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

##### 3 Company's pension plan:

In addition to contribution to state-managed pension plan (EPS scheme), the Company operates a post retirement pension scheme, which is discretionary in nature for certain cadres of employees. The quantum of pension depends on the cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

##### 4 Trust managed provident fund plan:

The Company manages provident fund plan through a provident fund trust for its employees which is permitted under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution and additional sums at their discretion. The plan guarantees interest at the rate notified by Employees' Provident Fund Organisation. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long term investments of the fund. Any shortfall in the interest income over the interest obligation is recognized immediately in the Statement of Profit and Loss as actuarial loss. Any loss/gain arising out of the investment risk and actuarial risk associated with the plan is also recognized as expense or income in the period in which such loss/gain occurs.

All the above defined benefit plans expose the Company to general actuarial risks such as interest rate risk and market (investment) risk.

### NOTE [46]

Disclosure pursuant to Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance"

- (i) The Company's exports qualify for various export benefits offered in the form of duty credit scrips under foreign trade policy framed by Department General of Foreign Trade India (DGFT). Income accounted towards such export incentives and duty drawback amounts to ₹ 161.34 crore (previous year ₹ 72.50 crore).
- (ii) The Company's manufacturing facility is eligible for certain incentives under the Investment Promotion Scheme 2014. Income accounted towards such incentives amounts to ₹ 2.26 crore (Previous year ₹ 1.38 crore).

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of related parties over which control exist and status of transactions entered during the year:

Sr No.	Name of Subsidiary Company	Nature of relationship	Transaction entered during the year (Yes/No)
1	L&T Construction Equipment Limited	Wholly Owned Subsidiary [WOS]	Yes
2	Bhilai Power Supply Company Limited	Subsidiary	No
3	L&T Aviation Services Private Limited	WOS	Yes
4	L&T Capital Company Limited	WOS	Yes
5	Larsen & Toubro International FZE	WOS of L&T Global Holdings Limited	Yes
6	L&T Global Holdings Limited	WOS	Yes
7	Larsen & Toubro Heavy Engineering LLC	Subsidiary	Yes
8	L&T Modular Fabrication Yard LLC	Subsidiary	Yes
9	Larsen & Toubro Kuwait Construction General Contracting Company W.L.L.	Subsidiary	Yes
10	Larsen Toubro Arabia LLC	Subsidiary	Yes
11	L&T Hydrocarbon Saudi Company	WOS	Yes
12	Larsen & Toubro Electromech LLC	Subsidiary	Yes
13	L&T Geostructure Private Limited	Subsidiary	Yes
14	L&T Geo – L&T JV for Maharatangarh project	WOS of L&T Geostructure Private Limited	No
15	L&T Geo – L&T UJV CMRL CS	WOS of L&T Geostructure Private Limited	No
16	Larsen & Toubro (Oman) LLC	Subsidiary of Larsen & Toubro International FZE	Yes
17	Larsen & Toubro Qatar LLC	WOS of Larsen & Toubro International FZE	No
18	Larsen & Toubro Saudi Arabia LLC	Subsidiary	Yes
19	Larsen & Toubro T&D SA (Proprietary) Limited	Subsidiary of Larsen & Toubro International FZE	No
20	Larsen & Toubro (East Asia) SDN.BHD.	WOS of Larsen & Toubro International FZE	Yes
21	Hi-Tech Rock Products and Aggregates Limited	WOS	Yes
22	L&T Realty Developers Limited	WOS	Yes
23	L&T Realty Properties Limited <sup>[1]</sup>	WOS	Yes
24	Elevated Avenue Realty LLP <sup>[2]</sup>	WOS of L&T Realty Properties Limited	Yes
25	Elante Properties Private Limited <sup>[3]</sup>	WOS of L&T Realty Properties Limited	Yes
26	Chennai Vision Developers Private Limited	WOS of L&T Realty Developers Limited	No
27	L&T Westend project LLP	Subsidiary of L&T Realty Developers Limited	No
28	L&T Valves Limited	WOS	Yes
29	L&T Valves Arabia Manufacturing LLC	WOS of L&T Valves Limited	Yes
30	L&T Valves USA LLC	WOS of L&T Valves Limited	No
31	L&T Finance Limited	Subsidiary	Yes
32	L&T Infra Investment Partners Advisory Private Limited	WOS of L&T Finance Limited	Yes
33	L&T Infra Investment Partners Trustee Private Limited	WOS of L&T Finance Limited	Yes
34	L&T Financial Consultants Limited	WOS of L&T Finance Limited	Yes
35	L&T Infra Investment Partners	WOS of L&T Finance Limited	No
36	LTIMindtree Limited	Subsidiary	Yes
37	LTIMindtree GmbH	WOS of LTIMindtree Limited	No
38	LTIMindtree Canada Limited	WOS of LTIMindtree Limited	no
39	LTIMindtree LLC <sup>[4]</sup>	WOS of LTIMindtree Limited	no
40	LTIMindtree Financial Services Technologies Inc.	WOS of LTIMindtree Limited	No
41	LTIMindtree South Africa (Pty) Limited	Subsidiary of LTIMindtree Limited	No
42	LTIMindtree Information Technology Services (Shanghai) Co.Ltd.	WOS of LTIMindtree Limited	No
43	LTIMindtree Spain S.L.	WOS of LTIMindtree Limited	No
44	LTIMindtree, Sociedad De Responsibilidad Limitada De Capital Variable	WOS of LTIMindtree Limited	No

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

Sr No.	Name of Subsidiary Company	Nature of relationship	Transaction entered during the year (Yes/No)
45	LTIMindtree Norge AS	WOS of LTIMindtree Limited	No
46	LTIMindtree S.A.	WOS of LTIMindtree GmbH	no
47	Syncordis France SARL <sup>[5]</sup>	WOS of LTIMindtree S.A	no
48	Syncordis Limited	WOS of LTIMindtree S.A	no
49	LTIMindtree PSF S.A.	WOS of LTIMindtree S.A	no
50	Nielsen+Partner Unternehmensberater GmbH <sup>[6]</sup>	WOS of LTIMindtree GmbH	no
51	LTIMindtree Switzerland AG	WOS of Nielsen+Partner Unternehmensberater GmbH	no
52	Nielsen+Partner Pte Ltd	WOS of Nielsen+Partner Unternehmensberater GmbH	no
53	LTIMindtree (Thailand) Limited	WOS of Nielsen+Partner Unternehmensberater GmbH	no
54	Nielsen&Partner Pty Ltd <sup>[7]</sup>	WOS of Nielsen+Partner Unternehmensberater GmbH	no
55	LTIMindtree USA Inc.	WOS of LTIMindtree Limited	no
56	LTIMindtree UK Limited	WOS of LTIMindtree Limited	no
57	LTIMindtree Middle East FZ-LLC	WOS of LTIMindtree Limited	no
58	L&T Technology Services Limited	Subsidiary	Yes
59	L&T Thales Technology Services Private Limited	Subsidiary of L&T Technology Services Limited	Yes
60	L&T Technology Services LLC	WOS of L&T Technology Services Limited	Yes
61	L&T Technology Services Pte. Ltd.	WOS of L&T Technology Services Limited	no
62	Graphene Solutions SDN. BHD.	WOS of L&T Technology Services Limited	no
63	Graphene Solutions Taiwan Limited	WOS of L&T Technology Services Limited	no
64	L&T Technology Services (Shanghai) Co. Ltd.	WOS of L&T Technology Services Limited	No
65	L&T Technology Services (Canada) Ltd	WOS of L&T Technology Services LLC	No
66	L&T Power Development Limited	WOS	Yes
67	L&T Himachal Hydropower Limited	WOS of L&T Power Development Limited	No
68	Nabha Power Limited	WOS of L&T Power Development Limited	yes
69	L&T Metro Rail (Hyderabad) Limited <sup>[8]</sup>	Subsidiary	yes
70	L&T Network Services Private Limited	WOS	Yes
71	Prime Techpark (Chennai) Private Limited	WOS	No
72	L&T Energy Hydrocarbon Engineering Limited <sup>[9]</sup>	WOS	No
73	Millennium Techpark (Chennai) Private Limited	Subsidiary of L&T Realty Properties Limited	No
74	Chennai Nova Techpark Private Limited	Subsidiary of L&T Realty Properties Limited	No
75	Bangalore Galaxy Techpark Private Limited	WOS of L&T Realty Developers Limited	No
76	Bangalore Spectrum Techpark Private Limited <sup>[10]</sup>	WOS of L&T Realty Developers Limited	no
77	Avenue Techpark (Bangalore) Private Limited <sup>[10]</sup>	WOS of L&T Realty Developers Limited	No
78	Bangalore Fortune Techpark Private Limited <sup>[10]</sup>	WOS of L&T Realty Developers Limited	no
79	Business Park (Powai) Private Limited	WOS	Yes
80	Corporate Park (Powai) Private Limited	WOS	Yes
81	L&T Electrolysers Limited	WOS of L&T Energy Green Tech Limited	Yes
82	LH Residential Housing Private Limited	WOS of L&T Realty Developers Limited	Yes
83	L&T Semiconductor Technologies Limited	WOS	Yes
84	L&T Offshore Private Limited <sup>[11]</sup>	WOS	yes
85	LH Uttarayan Premium Realty Private Limited	WOS of L&T Realty Developers Limited	No
86	L&T Technology Services Poland spółka z ograniczoną odpowiedzialnością	WOS of L&T Technology Services Limited	No
87	PT Larsen and Toubro	WOS	Yes
88	L&T Energy Green Tech Limited	WOS	Yes
89	Global Infotech Corporation <sup>[12]</sup>	WOS of Intelliswift Software Inc.	No
90	Intelliswift Software (Canada) Inc <sup>[12]</sup>	WOS of Intelliswift Software Inc.	No
91	Intelliswift Software (Costa Rica) Limitada <sup>[12]</sup>	WOS of Intelliswift Software Inc.	No

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

Sr No.	Name of Subsidiary Company	Nature of relationship	Transaction entered during the year (Yes/No)
92	Intelliswift Software (Hungary) Kft <sup>[12]</sup>	WOS of Intelliswift Software Inc.	No
93	Intelliswift Software (India) Private Limited <sup>[12]</sup>	WOS of L&T Technology Services Limited	No
94	Intelliswift Software Inc. <sup>[12]</sup>	WOS of L&T Technology Services LLC	No
95	L&T Special Steels & Heavy Forgings Private Limited <sup>[13]</sup>	WOS	Yes
96	Larsen & Toubro CIS FELLC <sup>[14]</sup>	WOS of Larsen & Toubro International FZE	No
97	LTIMindtree Consulting Brazil LTDA <sup>[15]</sup>	WOS of LTIMindtree Limited	No
98	P. Murphy & Associates Inc <sup>[12]</sup>	WOS of Intelliswift Software Inc.	No
99	Siliconch Systems Private Limited <sup>[16]</sup>	WOS of L&T Semiconductor Technologies Limited	No
[11]	formerly known as L&T Seawoods Limited		
[12]	Formerly known as L&T Avenue Realty LLP		
[13]	formerly known as L&T Parel Project Private Limited		
[14]	Dissolved w.e.f 21st Jan, 2025		
[15]	Dissolution w.e.f 29th Nov, 2024		
[16]	Merged with LTIMindtree GmbH w.e.f 2nd Oct, 2024		
[17]	(Deregistered w.e.f 23rd Oct, 2024)		
[18]	One equity share (the Golden Share) is held by the Government of Telangana in pursuance of the Shareholders' Agreement		
[19]	Merged with L&T Standalone (w.e.f 1st April, 2024)		
[10]	Struck-off from the register of companies (w.e.f 7th Jan, 2025)		
[11]	Merged with Larsen & Toubro Limited Standalone w.e.f. April 1, 2024		
[12]	Acquired on January 3, 2025		
[13]	Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025		
[14]	Incorporated on July 10, 2024		
[15]	Incorporated w.e.f September 26, 2024		
[16]	Acquired on August 9, 2024		

(b) (i) Name of associates and joint ventures with whom transactions were carried out during the year:

Sr. No	Associate Companies	Sr. No	Associate Companies
1	Magtorq Private Limited	2	Indian Foundation For Quality Management

(ii) Names of joint ventures with whom transactions were carried out during the year:

Sr. No.	Joint Venture Companies	Sr. No.	Joint Venture Companies
1	L&T-Sargent & Lundy Limited	2	L&T - MHI Power Boilers Private Limited
3	L&T - MHI Power Turbine Generators Private Limited	4	Raykal Aluminium Company Private Limited
5	L&T Special Steels & Heavy Forgings Private Limited <sup>[1]</sup>	6	L&T Howden Private Limited
7	L&T Sapura Shipping Private Limited	8	L&T MBDA Missile Systems Limited

<sup>[1]</sup> Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025

(iii) Name of post-employment benefit plans with whom transactions were carried out during the year

Sr. No.	Provident Fund Trust
1	Larsen & Toubro Officers & Supervisory Staff Provident Fund
2	Larsen & Toubro Limited Provident Fund of 1952
3	Larsen & Toubro Limited Provident Fund
4	L&T (Kansbahal) Officers & Supervisory Staff Provident Fund
5	L&T (Kansbahal) Staff & Workmen Provident Fund
6	L&T Energy Hydrocarbon Engineering Staff Provident Fund
Sr. No.	Gratuity Trust
1	Larsen & Toubro Officers & Supervisors Gratuity Fund
2	Larsen & Toubro Gratuity Fund
3	L&T Energy Hydrocarbon Engineering Officers and Supervisors Gratuity Fund
Sr. No.	Superannuation Trust
1	Larsen & Toubro Limited Senior Officers' Superannuation Scheme



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

- (iv) Name of key management personnel and close member of their family with whom transactions were carried out during the year

- (i) Executive Director:

Sr. No.		Sr. No.	
1	Mr. S. N. Subrahmanyam (Chairman & Managing Director)	2	Mr. R. Shankar Raman (President, Whole-time Director & CFO)
3	Mr. Subramanian Sarma (Deputy Managing Director & President)	4	Mr. S.V. Desai (Whole-time Director)
5	Mr. T. Madhava Das (Whole-time Director)	6	Mr. Anil Parab (Whole-time Director)
7	Mr. D. K. Sen (Whole-time Director) <sup>[1]</sup>	8	Mr. M. V. Satish (Whole-time Director) <sup>[2]</sup>

<sup>[1]</sup> Ceased to be Whole-time Director w.e.f. April 7, 2023

<sup>[2]</sup> Ceased to be Whole-time Director w.e.f. April 7, 2024

- (ii) Non-executive/Independent Directors

Sr. No.	Name	Sr. No.	Name
1	Mr. Adil Siraj Zainulbhai (Independent Director) <sup>[1]</sup>	2	Mr. Sanjeev Aga (Independent Director)
3	Mr. Hemant Bhargava (Non-executive Director -Nominee of Life Insurance Corporation of India) <sup>[2]</sup>	4	Mr. Narayanan Kumar (Independent Director)
5	Mrs. Preetha Reddy (Independent Director)	6	Mr. Pramit Jhaveri (Independent Director)
7	Mr. Rajnish Kumar (Independent Director)	8	Mr. Jyoti Sagar (Independent Director)
9	Mr. Ajay Tyagi (Independent Director)	10	Mr. P. R. Ramesh (Independent Director)
11	Mr. Siddhartha Mohanty (Non-executive Director) <sup>[3]</sup>		

<sup>[1]</sup> Ceased w.e.f. May 28, 2024

<sup>[2]</sup> Ceased w.e.f. May 27, 2024

<sup>[3]</sup> Appointed w.e.f. May 28, 2024

- (ii) Company secretary

Sr. No	Name
1	Mr. Sivaram Nair A

- (iv) Close member of Key Management Personnel's (KMP's) family with whom transactions were carried out during the year:

Sr. No	Name	Sr. No	Name
1	Ms. Meena Subrahmanyam	2	Ms. Vasanti Narayanan
3	Ms. Shital Ajinkya Parab	4	Ms. Sulabha Anil Parab
5	Ms. Toral Sanjay Chinai	6	Ms. Bhagyasree Joshi
7	Mr. Anand V Desai	8	Ms. Kalavathi S Desai
9	Mr. Raghavendra V Desai	10	Ms. Tanya Mallavarapu
11	Mr. Ashwin Shete	12	Mr. Karthik Anand Reddy
13	Mr. S.N. Venkataramanan	14	Ms. Shashikala Narayan Sarang
14	Mr. Harshad Reddy	15	Ms. Mukeeta Pramit Jhaveri

- (c) Disclosure of related party transactions:

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
i.	Purchase of goods & services (including commission paid)				
	Subsidiaries, including:	4152.40		1973.06	
	L&T Modular Fabrication Yard LLC		2194.91		1059.01
	L&T Geostructure Private Limited		72.86		240.98
	L&T Saudi Arabia LLC		1028.69		148.22
	Joint ventures, including:	665.36		867.78	
	L&T - MHI Power Boilers Private Limited		179.34		332.03
	L&T Special Steels & Heavy Forgings Private Limited		447.67		457.43
	Associates, including:	30.97		25.41	
	Magtorq Private Limited		30.97		25.41
	Total	4848.73		2866.25	

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [47]**

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
ii.	Sale of goods/contract revenue & services				
	Subsidiaries, including:	1162.59		896.70	
	L&T Hydrocarbon Saudi Company		143.09		4.29
	L&T (Oman) LLC		171.70		–
	L&T Realty Developers Limited		73.75		196.07
	L&T (East Asia) Sdn. Bhd.		172.84		265.05
	L&T International FZE		127.01		129.00
	LTIMindtree Limited		154.52		71.50
	Joint ventures, including:	12.99		38.24	
	L&T - MHI Power Boilers Private Limited		5.22		23.56
	L&T MBDA Missile Systems Limited		4.66		4.69
	L&T Special Steels & Heavy Forgings Private Limited		3.11		9.99
	Total	1175.58		934.94	
iii.	Purchase/lease of property, plant and equipment				
	Subsidiaries, including:	37.65		132.15	
	L&T Construction Equipment Limited		20.69		113.06
	LTIMindtree Limited		8.58		13.12
	L&T Technology Services Limited		5.37		1.75
	Joint venture:	–		0.42	
	L&T - MHI Power Turbine Generators Private Limited		–		0.42
	Total	37.65		132.57	
iv.	Sale of property, plant and equipment				
	Subsidiaries, including:	692.88		22.25	
	Business Park (Powai) Private Limited		425.35		–
	Corporate Park (Powai) Private Limited		265.18		–
	L&T Geostructure Private Limited		0.23		20.36
	Total	692.88		22.25	
v.	Investments including subscription to equity and preference shares (equity portion)				
	Subsidiaries, including:	894.74		3720.75	
	L&T Metro Rail (Hyderabad) Limited		–		3654.00
	Business Park (Powai) Private Limited		185.98		2.05
	Corporate Park (Powai) Private Limited		198.28		2.05
	L&T Energy Green Tech Limited		194.00		51.00
	L&T Semiconductor Technologies Limited		307.48		9.55
	Joint venture:	1.26		1.00	
	L&T - MHI Power Turbine Generators Private Limited		1.26		–
	GH4India Private Limited		–		1.00
	Associates:	12.50			
	Indian Foundation For Quality Management		12.50		–
	Total	908.49		3721.75	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
vi.	Divestment of stake to/capital reduction in:				
	Subsidiaries, including:			0.05	
	L&T Energy Green Tech Limited	—	—		0.05
	Joint venture:			129.26	
	EPIC Concesiones 3 Limited <sup>[1]</sup>	—	—		128.88
	Total	—		129.31	
vii.	Business Transfer to:				
	Subsidiaries			800.00	
	L&T Technology Services Limited				800.00
viii.	Inter corporate deposits and loans given to				
	Subsidiaries, including:	172.48		709.75	
	L&T Metro Rail (Hyderabad) Limited		—		564.00
	L&T Energy Green Tech Limited		61.00		18.00
	Nabha Power Limited		111.48		110.21
	Total	172.48		709.75	
ix.	Inter corporate deposits and loans repaid by				
	Subsidiaries, including:	101.04		3139.80	
	L&T Energy Green Tech Limited		79.00		—
	L&T Metro Rail (Hyderabad) Limited		—		3059.03
	Business Park (Powai) Private Limited		17.54		—
	Joint ventures:	—		151.72	
	L&T Sapura Shipping Private Limited		—		151.72
	Total	101.04		3291.52	
x.	Inter corporate borrowing taken from				
	Subsidiaries, including:	5993.44		8195.49	
	L&T Realty Developers Limited		1598.00		2880.50
	L&T Realty Properties Limited		2494.16		3334.72
	L&T Valves Limited		1143.00		680.00
	Elante Properties Private Limited		149.00		914.50
	Joint venture:	435.55		557.16	
	L&T - MHI Power Turbine Generators Private Limited		435.55		224.16
	L&T MBDA Missile Systems Limited		—		333.00
	Total	6428.99		8752.65	
xi.	Inter corporate borrowing repaid to				
	Subsidiaries, including:	6685.74		7047.70	
	L&T Realty Developers Limited		1858.00		2620.50
	L&T Realty Properties Limited		2934.16		2894.72
	L&T Valves Limited		1070.00		410.00
	Elante Properties Private Limited		283.00		780.50
	Joint venture:	641.87		551.56	
	L&T - MHI Power Turbine Generators Private Limited		477.87		220.56
	L&T MBDA Missile Systems Limited		164.00		331.00
	Total	7327.61		7599.26	

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [47]**

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xii.	Charges paid for miscellaneous services				
	Subsidiaries, including:	238.32		245.86	
	LTIMindtree Limited		194.09		199.34
	L&T Aviation Services Private Limited		29.74		29.40
	Joint ventures, including:	3.70		9.04	
	L&T Sargent & Lundy Limited		1.88		7.83
	L&T - MHI Power Boilers Private Limited		1.76		1.15
	Total	242.02		254.90	
xiii.	Rent paid, including lease rentals under leasing/hire purchase arrangements				
	Subsidiaries, including:	12.01		2.06	
	L&T Technology Services Limited		2.98		–
	L&T Valves Limited		7.83		1.50
	L&T Metro Rail (Hyderabad) Limited		0.99		0.29
	Joint ventures, including:	85.45		31.64	
	L&T Sapura Shipping Private Limited		71.50		18.29
	L&T - MHI Power Turbine Generators Private Limited		8.97		9.24
	Total	97.46		33.70	
xiv.	Rent received, overheads recovered and miscellaneous income				
	Subsidiaries, including:	574.55		513.28	
	LTIMindtree Limited		195.65		159.54
	L&T Technology Services Limited		76.49		75.78
	L&T Saudi Arabia LLC		57.90		36.24
	L&T Finance Limited		146.83		126.39
	Joint ventures, including:	60.52		74.04	
	L&T - MHI Power Boilers Private Limited		23.23		28.83
	L&T Sargent & Lundy Limited		14.04		12.60
	L&T - MHI Power Turbine Generators Private Limited		10.72		9.42
	L&T Special Steels & Heavy Forgings Private Limited		6.53		6.67
	EPIC Concesiones 3 Limited <sup>(1)</sup>		–		7.84
	Total	635.07		587.32	
xv.(a)	Charges incurred for deputation of employees from related parties				
	Subsidiaries, including:	4.83		0.51	
	L&T Innovation Campus (Chennai) Limited		1.67		–
	L&T Realty Developers Limited		0.71		0.51
	L&T Technology Services Limited		2.45		–
	Total	4.83		0.51	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xv.(b)	Charges recovered for deputation of employees to related parties				
	Subsidiaries, including:	136.59		110.41	
	L&T Semiconductor Technologies Limited		22.31		–
	L&T Geostructure Private Limited		17.41		19.98
	Elevated Avenue Realty LLP		17.63		22.38
	L&T Realty Developers Limited		19.41		18.65
	L&T Realty Properties Limited		15.91		15.54
	Joint ventures:	7.04		9.71	
	L&T Sapura Shipping Private Limited		5.81		7.76
	L&T Special Steels & Heavy Forgings Private Limited		1.23		1.03
	Total	143.63		120.12	
xvi.	Dividend received				
	Subsidiaries, including:	2930.46		2519.42	
	LTIMindtree Limited		1320.60		1219.02
	L&T Technology Services Limited		389.93		366.54
	L&T Global Holdings Limited		428.78		182.18
	L&T Finance Limited		413.13		327.85
	Joint ventures:	27.27		129.83	
	L&T-Sargent & Lundy Limited		12.24		5.57
	L&T Howden Private Limited		15.03		12.02
	EPIC Concesiones 3 Limited <sup>(1)</sup>		–		112.24
	Total	2957.73		2649.25	
xvii.	Buyback of shares				
	Key Management Personnel, including:			20.14	
	Mr. R. Shankar Raman				10.20
	Mr. Subramanian Sarma				5.47
	Mr. Anil Parab				3.20
	Close member of Key Management Personnel, including:			2.62	
	Mrs. Meena Subrahmanyam				2.61
	Total			22.76	
xviii.	Dividend Paid				
	Key Management Personnel, including:	2.74		4.93	
	Mr. A.M Naik				1.88
	Mr. R. Shankar Raman		0.83		0.99
	Mr. S. N. Subrahmanyam		0.84		0.80
	Mr. Subramanian Sarma		0.52		0.53
	Mr. Anil Parab		0.31		0.35
	Close member of Key Management Personnel, including:	0.28		0.32	
	Mrs. Meena Subrahmanyam		0.24		0.25
	Total	3.02		5.25	

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [47]**

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xix	Commission received, including those under agency arrangements				
	Subsidiary:				
	L&T Construction Equipment Limited	3.38	3.38	11.43	11.43
	Total	3.38		11.43	
xx	Guarantee charges recovered from				
	Subsidiaries, including:	374.71		263.34	
	L&T Hydrocarbon Saudi Company		161.41		67.98
	L&T Metro Rail (Hyderabad) Limited		31.34		30.31
	L&T Saudi Arabia LLC		58.38		53.40
	L&T Arabia LLC		54.26		45.41
	L&T International FZE		64.35		62.98
	Joint venture:	0.58		0.67	
	L&T - MHI Power Turbine Generators Private Limited		0.58		0.67
	Total	375.29		264.01	
xxi	Interest paid to				
	Subsidiaries, including:	75.37		77.42	
	L&T Realty Properties Limited		26.49		28.53
	L&T Valves Limited		22.45		10.57
	L&T Realty Developers Limited		17.25		26.15
	Elante Properties Private Limited		2.54		8.92
	Joint ventures:	4.95		12.82	
	L&T MBDA Missile Systems Limited		0.93		11.64
	L&T - MHI Power Turbine Generators Private Limited		4.02		1.17
	Total	80.32		90.24	
xxii	Interest received from				
	Subsidiaries, including:	138.97		307.86	
	L&T Metro Rail (Hyderabad) Limited		56.72		223.52
	L&T Finance Limited		15.59		42.41
	Nabha Power Limited		45.57		33.92
	L&T Special Steels & Heavy Forgings Private Limited		17.05		–
	Joint ventures:	9.84		81.22	
	L&T Sapura Shipping Private Limited		9.84		18.07
	Kudgi Transmission Limited		–		58.31
	Total	148.81		389.08	
xxiii	Amount written off as bad debts				
	Joint venture:	–		20.37	
	L&T - MHI Power Boilers Private Limited		–		20.37
	Total	–		20.37	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xxiv	Amount recognised/(reversed) in Profit or Loss as provision towards bad and doubtful debts (including expected credit loss)				
	Subsidiaries, including:	(0.27)		1.96	
	L&T Arabia LLC		2.30		(13.45)
	L&T Hydrocarbon Saudi Company		(11.87)		1.77
	L&T Metro Rail (Hyderabad) Limited		4.90		10.90
	L&T Modular Fabrication Yard LLC		(1.79)		1.79
	Elevated Avenue Realty LLP		(0.53)		(3.31)
	L&T Offshore Private Limited		(5.15)		4.96
	L&T Innovation Campus (Chennai) Limited		–		(0.49)
	L&T Energy Green Tech Limited		0.56		–
	Business Park (Powai) Private Limited		1.90		–
	Corporate Park (Powai) Private Limited		3.98		–
	L&T Realty Developers Limited		(0.13)		(0.09)
	L&T Heavy Engineering LLC		0.04		0.02
	L&T Electromech LLC		0.09		0.01
	L&T Technology Services Limited		1.29		(0.21)
	L&T Saudi Arabia LLC		0.89		(0.16)
	Elante Properties Private Limited		(0.62)		0.09
	L&T (Oman) LLC		(0.03)		0.01
	L&T Geostucture Private Limited		0.27		0.14
	L&T (East Asia) Sdn. Bhd.		3.63		–
	Joint ventures, including:	(0.22)		(27.32)	
	L&T Sapura Offshore Private Limited		–		(5.08)
	L&T Sargent & Lundy Limited		(0.05)		0.02
	L&T - MHI Power Boilers Private Limited		0.03		(22.41)
	GH4INDIA Private Limited		0.18		–
	L&T - MHI Power Turbine Generators Private Limited		(0.35)		0.12
	Total	(0.49)		(25.36)	
xxv	Amount recognised in Profit or Loss on account of impairment/(reversal of impairment) loss on investment and reversal of provision towards constructive obligation				
	Subsidiaries, including:	–		(70.24)	
	L&T Heavy Engineering LLC		–		(70.24)
	Associates:	12.50			
	Indian Foundation For Quality Management		12.50		
	Joint ventures:	(474.78)		47.03	
	L&T Special Steels & Heavy Forgings Private Limited		(474.78)		–
	EPIC Concesiones 3 Limited <sup>[1]</sup>		–		47.03
	Total	(462.28)		(23.21)	



# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [47]**

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xxvi	Guarantee given on behalf of				
	Subsidiaries, including:	2818.15		52856.46	
	L&T Saudi Arabia LLC		379.07		4126.44
	L&T Geostructure Private Limited		559.00		–
	L&T Hydrocarbon Saudi Company		–		40531.36
	L&T Arabia LLC		1681.99		7732.06
	Joint ventures:	139.74		–	
	L&T MHI Power Turbine Generators Private Limited		139.74		–
	Total	2957.89		52856.46	
xxvii	Contribution to post employment benefit plans				
(a)	Towards employer's contribution to provident fund trusts, including:	140.01		118.72	
	Larsen & Toubro Officers & Supervisory Staff Provident Fund		126.87		105.60
	Total	140.01		118.72	
(b)	Towards employer's contribution to gratuity fund trusts:	48.95		133.69	
	Larsen & Toubro Officers & Supervisors Gratuity Fund		43.38		123.95
	Larsen & Toubro Gratuity Fund		4.18		9.69
	Total	48.95		133.69	
(c)	Towards employer's contribution to superannuation trust:	20.61		16.09	
	Larsen & Toubro Limited Senior Officers' Superannuation Scheme		20.61		16.09
	Total	20.61		16.09	

"Major parties" denote entities accounting for 10% or more of the aggregate for that category of transaction during respective year.

<sup>[1]</sup> formerly known as L&T Infrastructure Development Projects Limited

xxviii. Compensation paid to key management personnel:

		₹ crore							
Key Management Personnel		2024-25				2023-24			
		Short-term employee benefits	Post-employment benefits	Other Long term benefit	Total	Short-term employee benefits	Post-employment benefits	Other Long term benefit	ESOP granted during the year <sup>[4]</sup>
Executive Directors:									
(a) Mr. S.N.Subrahmanyam		45.82	12.30		58.12	39.15	10.50		32.40
(b) Mr. R. Shankar Raman		28.31	7.60		35.91	24.26	6.50		30.76
(c) Mr. D. K. Sen					–	0.21	15.31 <sup>[3]</sup>	6.94 <sup>[2]</sup>	
(d) Mr. M. V. Satish		0.22	17.05 <sup>[1]</sup>	13.58 <sup>[2]</sup>	30.85	10.53	2.78		
(e) Mr. Subramanian Sarma		24.74	6.63		31.37	20.81	5.57		
(f) Mr. S.V.Desai		15.82	4.22		20.04	14.82	3.95		9.26
(g) Mr. T. Madhava Das		18.98	5.08		24.06	14.47	3.86		
(h) Mr. Anil Parab		11.87	3.16		15.03	9.85	2.61		
Non-executive Directors:									
(a) Mr. A.M. Naik					–	1.69	1.50 <sup>[5]</sup>		
(b) Other Non-executive Directors		5.43			5.43	5.12			
(c) Sivaram Nair A (Company Secretary)		1.85	0.02		1.87	1.70	0.02		
Total		153.04	56.06	13.58	222.68	142.61	52.60	6.94	41.66

<sup>[1]</sup> Post employment benefits include gratuity ₹ 16.99 crore

<sup>[2]</sup> Represents encashment of past service accumulated leave

<sup>[3]</sup> Post employment benefits include gratuity ₹ 15.25 crore

<sup>[4]</sup> Represents fair value of ESOPs granted during the year which will be vested equally over a period of 4 years.

<sup>[5]</sup> Represents pension

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

(d) Amount due to/from related parties:

		₹ crore			
Sr. No.	Category of balance/relationship/parties	As at 31-3-2025		As at 31-3-2024	
		Amount	Amounts for major parties	Amount	Amounts for major parties
i.	Accounts receivable				
	Subsidiaries, including:	1467.48		1349.78	
	L&T Metro Rail (Hyderabad) Limited		729.66		729.66
	L&T Geostructure Private Limited		278.40		241.50
	Joint ventures, including:	21.37		29.28	
	L&T - MHI Power Boilers Private Limited		14.62		17.78
	L&T Special Steels & Heavy Forgings Private Limited		–		3.19
	L&T Sargent & Lundy Limited		2.77		2.66
	Total	1488.85		1379.06	
ii.	Accounts payables, including other payables				
	Subsidiaries, including:	1647.35		1220.19	
	L&T Modular Fabrication Yard LLC		9.38		248.23
	Larsen Toubro Arabia LLC		209.71		168.35
	L&T Geostructure Private Limited		100.47		164.04
	Larsen & Toubro Saudi Arabia LLC		301.52		171.72
	LTIMindtree Limited		114.29		129.57
	L&T Technology Services Limited		250.77		150.36
	L&T Special Steels & Heavy Forgings Private Limited		286.95		–
	Joint ventures, including:	740.66		1264.42	
	L&T - MHI Power Boilers Private Limited		496.92		750.42
	L&T - MHI Power Turbine Generators Private Limited		191.48		266.85
	L&T Special Steels & Heavy Forgings Private Limited		–		210.84
	Associates, including:	13.97		5.61	
	Magtorq Private Limited		13.61		5.22
	Total	2401.98		2490.22	
iii.	Investment in debt securities [including preference shares (debt portion)]				
	Subsidiaries:	1297.94		758.90	
	L&T Metro Rail (Hyderabad) Limited		973.73		436.36
	L&T Finance Limited		111.04		322.55
	L&T Special Steels & Heavy Forgings Private Limited		213.17		
	Joint ventures:	–		949.43	
	L&T Special Steels & Heavy Forgings Private Limited		–		213.17
	Kudgi Transmission Limited		–		736.26
	Total	1297.94		1708.33	
iv.	Impairment loss on investment in debt securities				
	Subsidiaries:	213.17			
	L&T Special Steels & Heavy Forgings Private Limited		213.17		
	Joint venture:	–		213.17	
	L&T Special Steels & Heavy Forgings Private Limited		–		213.17
	Total	213.17		213.17	

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [47]**

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Category of balance/relationship/parties	As at 31-3-2025		As at 31-3-2024	
		Amount	Amounts for major parties	Amount	Amounts for major parties
v.	Loans & advances recoverable				
	Subsidiaries, including:	3763.59		1519.71	
	L&T Geostructure Private Limited		209.07		228.82
	Nabha Power Limited		495.90		385.96
	Larsen & Toubro Saudi Arabia LLC		235.75		268.54
	L&T Special Steels and Heavy Forgings Private Limited		1924.43		–
	Joint ventures , including:	254.49		2035.90	
	L&T Special Steels and Heavy Forgings Private Limited		–		1790.93
	L&T Sapura Shipping Private Limited		220.79		208.23
	Associates, including:	19.31		4.10	
	Magtorq Private Limited		19.01		3.86
	<b>Total</b>	<b>4037.39</b>		<b>3559.71</b>	
vi.	Impairment loss on loans & advances recoverable				
	Subsidiaries, including:	1277.60		6.50	
	L&T Offshore Private Limited		–		5.08
	L&T Special Steels and Heavy Forgings Private Limited		1270.45		–
	Joint venture:	0.88		1731.25	
	L&T Special Steels and Heavy Forgings Private Limited		–		1730.38
	Raykal Aluminium Company Private Limited		0.88		0.87
	<b>Total</b>	<b>1278.48</b>		<b>1737.75</b>	
vii.	Provision towards constructive obligation				
	Joint venture:			14.84	
	L&T Special Steels and Heavy Forgings Private Limited				14.84
	<b>Total</b>			<b>14.84</b>	
viii.	Unsecured loans taken (including lease finance)				
	Subsidiaries:	456.70		1149.41	
	L&T Construction Equipment Limited		70.50		–
	L&T Valves Limited		343.00		270.10
	L&T Realty Properties Limited		–		440.16
	Elante Properties Private Limited		–		134.05
	L&T Realty Developers Limited		–		260.09
	Joint venture:	1.28		207.67	
	L&T MBDA Missile Systems Limited		–		164.06
	L&T - MHI Power Turbine Generators Private Limited		1.28		43.62
	<b>Total</b>	<b>457.98</b>		<b>1357.08</b>	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		As at 31-3-2025		As at 31-3-2024	
Sr. No.	Category of balance/relationship/parties	₹ crore			
		Amount	Amounts for major parties	Amount	Amounts for major parties
ix.	Advances received in the capacity of supplier of goods/services classified as "Advances from customers" in the Balance Sheet				
	Subsidiaries, including:	151.15		91.63	
	L&T Realty Developers Limited		2.71		40.36
	L&T Hydrocarbon Saudi Company		18.28		—
	LTIMindtree Limited		38.00		18.73
	L&T International FZE		—		9.58
	L&T (Oman) LLC		20.35		—
	L&T (East Asia) Sdn. Bhd.		11.45		17.03
	LH Residential Housing Private Limited		32.29		—
	Joint venture:	0.46		2.39	
	L&T - MHI Power Boilers Private Limited		0.46		2.39
	Close member of KMP's family:			0.11	
	Ms. Meena Subrahmanyam				0.11
	Total	151.61		94.13	
x.	Due to directors <sup>[1]</sup> :				
	Key management personnel, including:	136.71		123.61	
	Mr. S. N. Subrahmanyam		41.58		35.28
	Mr. R. Shankar Raman		25.73		21.83
	Mr. Anil Parab		10.55		8.62
	Mr. D. K. Sen		—		0.18
	Mr. M. V. Satish		0.18		8.57
	Mr. Subramanian Sarma		22.37		18.56
	Mr. S.V.Desai		14.29		13.41
	Mr. T. Madhava Das		17.45		13.06
	Total	136.71		123.61	
xi.	Post employment benefit plan				
(a)	Due to provident fund trusts, including:	58.53		51.30	
	Larsen & Toubro Officers & Supervisory Staff Provident Fund		55.15		47.99
	Total	58.53		51.30	
(b)	Due to gratuity trusts:	283.09		47.56	
	Larsen & Toubro Officers & Supervisors Gratuity Fund		258.18		44.12
	Larsen & Toubro Gratuity Fund		24.91		3.45
	Total	283.09		47.56	
(c)	Due to superannuation trust:	19.82		17.93	
	Larsen & Toubro Limited Senior Officers' Superannuation Scheme		19.82		17.93
	Total	19.82		17.93	

<sup>[1]</sup> Includes commission due to non-executive directors ₹ 4.56 crore (previous year: ₹ 4.10 crore).

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [47]**

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

		₹ crore			
Sr. No.	Category of balance/relationship/parties	As at 31-3-2025		As at 31-3-2024	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xii.(a)	Capital commitment given				
	Subsidiaries, including:	18.51		31.70	
	L&T Construction Equipment Limited		2.85		20.60
	LTIMindtree Limited		12.81		9.92
	L&T Technology Services Limited		2.85		1.18
	Total	18.51		31.70	
xii.(b)	Revenue commitment given				
	Subsidiaries, including:	4237.85		3225.26	
	L&T Saudi Arabia LLC		2029.69		1500.57
	L&T Modular Fabrication Yard LLC		1073.18		39.53
	Joint ventures , including:	295.30		1023.63	
	L&T - MHI Power Boilers Private Limited		226.02		569.94
	L&T Special Steels and Heavy Forgings Private Limited				370.22
	L&T Howden Private Limited		33.73		68.47
	Associates, including:	65.74		31.76	
	Magtorq Private Limited		65.74		31.76
	Total	4598.89		4280.65	
xiii.	Commitment to Fund				
	Subsidiary:	127.78		239.25	
	Nabha Power Limited		127.78		239.25
	Total	127.78		239.25	
xiv.	Revenue commitment received				
	Subsidiaries, including:	1938.10		2007.30	
	L&T (Oman) LLC		208.09		–
	LTIMindtree Limited		135.22		671.49
	Corporate Park (Powai) Private Limited		294.43		–
	L&T Realty Properties Limited		208.52		–
	Larsen & Toubro (East Asia) Sdn. Bhd.		541.84		660.54
	LH Residential Housing Private Limited		255.97		–
	L&T Innovation Campus (Chennai) Limited		–		220.12
	Joint ventures , including:	5.47		15.48	
	L&T - MHI Power Boilers Private Limited		5.47		10.68
	L&T MBDA Missile Systems Limited		–		4.80
	Close Member of KMP's family:			7.68	
	Ms. Meena Subrahmanyam				7.68
	Total	1943.57		2030.46	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" (contd.)

Sr. No.	Category of balance/relationship/parties	₹ crore			
		As at 31-3-2025		As at 31-3-2024	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xv.	Guarantee given on behalf of				
	Subsidiaries, including:	122845.36		129527.23	
	L&T Hydrocarbon Saudi Company		54257.11		60762.23
	L&T Arabia LLC		16840.10		18587.34
	L&T Saudi Arabia LLC		19216.49		18946.29
	L&T International FZE		21679.07		21154.05
	Joint ventures , including:	231.08		243.22	
	L&T MHI Power Turbine Generators Private Limited		211.67		210.56
	Total	123076.44		129770.45	
xvi.	Provision towards expected credit loss related to the amount of outstanding balances				
	Subsidiaries, including:	87.81		85.06	
	L&T Metro Rail (Hyderabad) Limited		50.34		41.82
	Larsen Toubro Arabia LLC		23.39		21.09
	L&T Hydrocarbon Saudi Company		4.31		16.18
	Joint ventures , including:	1.89		2.74	
	L&T - MHI Power Turbine Generators Private Limited		0.01		0.36
	EPIC Concesiones 3 Limited		—		0.45
	Deccan Tollways Limited		1.73		1.73
	Total	89.70		87.80	

"Major parties" denote entities account for 10% or more of the aggregate for that category of balance during respective year.

Notes:

1. The amount of outstanding balances as shown above are unsecured and will be settled/recovered in cash.
2. The interest rate charged on loans given to related parties are as per market rates.

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [48]**

Disclosure pursuant to Ind AS 27 "Separate Financial Statements"

Investment in following subsidiaries, associates and joint ventures is accounted at cost.

**Subsidiaries:**

Sr. No.	Name of the subsidiary	Principal place of business	As at 31-3-2025		As at 31-3-2024	
			Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)	Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)
Indian subsidiaries						
1	Bhilai Power Supply Company Limited	India	99.90	99.90	99.90	99.90
2	Hi-Tech Rock Products & Aggregates Limited	India	100.00	100.00	100.00	100.00
3	L&T Realty Properties Limited <sup>[1]</sup>	India	100.00	100.00	100.00	100.00
4	L&T Geostructure Private Limited	India	99.00	100.00	99.00	100.00
5	L&T Valves Limited	India	100.00	100.00	100.00	100.00
6	L&T Energy Green Tech Limited	India	100.00	100.00	100.00	100.00
7	L&T Aviation Services Private Limited	India	100.00	100.00	100.00	100.00
8	LTIMindtree Limited	India	68.58	68.58	68.64	68.64
9	L&T Finance Limited	India	66.24	66.24	65.86	65.86
10	L&T Capital Company Limited	India	100.00	100.00	100.00	100.00
11	L&T Power Development Limited	India	100.00	100.00	100.00	100.00
12	L&T Metro Rail (Hyderabad) Limited <sup>[2]</sup>	India	99.99	99.99	99.99	99.99
13	L&T Technology Services Limited	India	73.66	73.66	73.74	73.74
14	L&T Construction Equipment Limited	India	100.00	100.00	100.00	100.00
15	L&T Realty Developers Limited	India	100.00	100.00	100.00	100.00
16	L&T Energy Hydrocarbon Engineering Ltd <sup>[3]</sup>	India	—	—	100.00	100.00
17	L&T Network Services Private Limited	India	100.00	100.00	100.00	100.00
18	Corporate Park (Powai) Private Limited	India	100.00	100.00	100.00	100.00
19	Business Park (Powai) Private Limited	India	100.00	100.00	100.00	100.00
20	L&T Semiconductor Technologies Limited	India	100.00	100.00	100.00	100.00
21	L&T Offshore Private Limited <sup>[3]</sup>	India	—	—	100.00	100.00
22	L&T Special Steels and Heavy Forgings Private Limited <sup>[4]</sup>	India	100.00	100.00	—	—

<sup>[1]</sup> formerly known as L&T Seawoods Limited

<sup>[2]</sup> One equity share (the Golden Share) is held by the Government of Telangana in pursuance of the Shareholders' Agreement.

<sup>[3]</sup> Merged with Larsen & Toubro Limited w.e.f. April 1, 2024

<sup>[4]</sup> Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [48]

Disclosure pursuant to Ind AS 27 "Separate Financial Statements" (contd.)

#### Foreign Subsidiaries :

Sr. No.	Name of the subsidiary	Principal place of business	As at 31-3-2025		As at 31-3-2024	
			Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)	Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)
1	Larsen & Toubro Saudi Arabia LLC	Kindgom of Saudi Arabia	4.35	100.00	4.35	100.00
2	L&T Global Holdings Limited	UAE	100.00	100.00	100.00	100.00
3	Larsen & Toubro Arabia LLC	Kindgom of Saudi Arabia	75.00	75.00	75.00	75.00
4	L&T Hydrocarbon Saudi Company LLC	Kindgom of Saudi Arabia	100.00	100.00	100.00	100.00
5	L&T Modular Fabrication Yard LLC	Sultanate of Oman	70.00	70.00	70.00	70.00
6	Larsend & Toubro Electromech LLC	Sultanate of Oman	70.00	70.00	70.00	70.00
7	Larsen & Toubro Kuwait Construction General Contracting Co. W.L.L.	Kuwait	49.00	49.00	49.00	49.00
8	Larsen & Toubro Heavy Engineering LLC <sup>[a]</sup>	Sultanate of Oman	70.00	70.00	70.00	70.00
9	PT Larsen and Toubro	Indonesia	100.00	100.00	100.00	100.00

<sup>[a]</sup> Under liquidation

#### Associate Companies :

Sr. No.	Name of associate	Principal place of business	As at 31-3-2025		As at 31-3-2024	
			Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)	Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)
1	Gujarat Leather Industries Limited <sup>[1]</sup>	India	50.00	50.00	50.00	50.00
2	Magtorq Private Limited	India	42.85	42.85	42.85	42.85
2	E2E Networks Limited <sup>[2]</sup>	India	14.92	14.92	-	-

<sup>[1]</sup> Under liquidation

<sup>[2]</sup> Acquired on December 4, 2024

# Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [48]**

Disclosure pursuant to Ind AS 27 "Separate Financial Statements" (contd.)

**Joint Ventures :**

Sr. No.	Name of the joint venture	Principal place of business	As at 31-3-2025		As at 31-3-2024	
			Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power (%)	Proportion of Direct Ownership (%)	Proportion of effective ownership interest /voting power (%)
1	Chennai-Tada Tollways Limited (formerly known as -L&T Chennai-Tada Tollway Limited) <sup>[2]</sup>	India	—	—	<sup>[1]</sup>	51.00
2	Rajkot - Vadinar Tollway Limited (formerly known as (L&T Rajkot-Vadinar Tollway Limited) <sup>[2]</sup>	India	—	—	<sup>[1]</sup>	51.00
3	Samkhiali Bhachau Gandhidham Tollway Limited (formerly known as -L&T Samkhiali Gandhidham Tollway Limited) <sup>[2]</sup>	India	—	—	0.02	51.01
4	EPIC Concesiones 3 Limited (formerly known as -L&T Infrastructure Development Projects Limited) <sup>[2]</sup>	India	—	—	51.00	51.00
5	Neelambur Madukkarai Tollway Limited (formerly known as-L&T Transportation Infrastructure Limited) <sup>[2]</sup>	India	—	—	26.24	51.00
6	Ahmedabad - Maliya Tollway Limited <sup>[2]</sup>	India	—	—	<sup>[1]</sup>	51.00
7	L&T Howden Private Limited	India	50.10	50.10	50.10	50.10
8	L&T-MHI Power Boilers Private Limited	India	51.00	51.00	51.00	51.00
9	L&T-MHI Power Turbine Generators Private Limited	India	51.00	51.00	51.00	51.00
10	Raykal Aluminium Company Private Limited	India	75.50	75.50	75.50	75.50
11	L&T Special Steels and Heavy Forgings Private Limited <sup>[3]</sup>	India	—	—	74.00	74.00
12	PNG Tollway Limited <sup>[2]</sup>	India	—	—	—	37.74
13	L&T MBDA Missile Systems Limited	India	51.00	51.00	51.00	51.00
14	L&T Sapura Shipping Private Limited	India	60.00	60.00	60.00	60.00
15	L&T-Sargent & Lundy Limited	India	50.00	50.00	50.00	50.00
16	GH4India Private Limited	India	33.33	33.33	33.33	33.33

<sup>[1]</sup> Proportion of direct ownership is less than 0.01 %.

<sup>[2]</sup> Divested w.e.f. April 10, 2024

<sup>[3]</sup> Reclassified as a wholly owned subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [49]

Basic and diluted Earnings per Share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":

Particulars		2024-25	2023-24
<b>Basic earnings per share</b>			
Net profit after tax (₹ crore)	A	10870.72	9331.41
Weighted average number of equity shares outstanding	B	1,37,49,93,122	1,38,98,17,026
Basic EPS(₹)	A/B	79.06	67.14
<b>Diluted earnings per share</b>			
Net profit after tax (₹ crore)	A	10870.72	9331.41
Weighted average number of equity shares outstanding	B	1,37,49,93,122	1,38,98,17,026
Add: Weighted average number of potential equity shares on account of employee stock options	C	10,46,884	12,33,876
Weighted average number of equity shares outstanding for diluted EPS	D=B+C	1,37,60,40,006	1,39,10,50,903
Diluted EPS (₹)	A/D	79.00	67.08
Face value per share (₹)		2	2

### NOTE [50]

Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

a) Movement in provisions:

₹ crore

Sr no	Particulars	Class of provisions					Total
		Product warranties	Expected tax liability in respect of indirect taxes	Litigation related obligation	Contractual rectification cost-construction contracts	Onerous contracts	
1	Balance as at April 1, 2024	9.22	318.89	33.04	496.65	600.40	1458.20
2	Additional Provision during the year	0.19	55.31	—	299.27	179.24	534.01
3	Provision used during the year	—	(0.56)	—	(54.59)	(151.35)	(206.49)
4	Provision reversed during the year	(4.10)	(2.39)	(20.35)	(169.09)	(92.99)	(288.94)
5	Balance as at March 31, 2025 (5=1+2+3+4)	5.31	371.25	12.69	572.24	535.30	1496.79

b) Nature of provisions:

- Product warranties: The Company gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as at March 31, 2025 represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of 1 to 3 years from the date of Balance Sheet.
- Expected tax liability in respect of indirect taxes represents mainly the differential sales tax liability on account of non-collection of declaration forms.
- Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.
- Contractual rectification cost represents the estimated cost the Company is likely to incur during defect liability period as per the contract obligations in respect of completed construction contracts accounted under Ind AS 115 "Revenue from Contracts with customers".
- Onerous contracts provision includes provision for foreseeable losses on construction contracts wherever it was probable that total contract costs will exceed total contract price.
- It is not practicable to estimate the timings of cash outflows, if any, in respect of provisions (ii) to (v).

c) Disclosure in respect of contingent liabilities is given as part of Note 29 to the Balance Sheet.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [51]

The expenditure on research and development activities is as follows:

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
(i)	Recognised as expense in the Statement of Profit and Loss	171.86	163.15
(ii)	Capital Expenditure on:		
	(a) tangible assets	2.40	4.54
	(b) other intangible assets	0.77	1.32
(iii)	Expenditure customer funded.	1.89	—

### NOTE [52]

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management

#### (a) Foreign exchange rate and interest rate risk:

The Company regularly reviews its foreign currency and interest rate related exposures – both hedged and open. The Company primarily follows cash flow hedge accounting for Highly Probable Forecasted Exposures (HPFE), hence, the movement in mark to market (MTM) of the hedge contracts undertaken for such exposures is likely to be offset by contra movements in the underlying exposures values. However, till the point of time that the HPFE becomes an on-balance sheet exposure, the changes in MTM of the hedge contracts will impact the Balance Sheet of the Company. Further, given the effective horizons of the Company's risk management activities which coincide with the durations of the projects under execution, which could extend across 3-4 years and given the business uncertainties associated with the timing and estimation of the project exposures, the recognition of the gains and losses related to these instruments may not always coincide with the timing of gains and losses related to the underlying economic exposures and, therefore, may affect the Company's financial condition and operating results. The Company monitors the potential risk arising out of the market factors like exchange rates, interest rates, price of traded investment products etc. on a regular basis. For on-balance Sheet exposures, the Company monitors the risks on net unhedged exposures.

#### (i) Foreign exchange rate risk:

The Company has both receivable and payable exposures in foreign currency. Accordingly, changes in exchange rates may adversely affect the Company's revenues, cost, and profitability. There is a risk that the Company may also have to adjust the local currency product pricing due to competitive pressures when there has been significant volatility in foreign currency exchange rates.

The Company may enter foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with existing assets and liabilities, firm commitments, forecasted future cash flows and net investments in foreign subsidiaries. In addition, the Company has entered, and may enter in future, into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on its foreign-denominated debt issuances. The Company's practice is to hedge a portion of its material net foreign exchange exposures with tenors in line with the project/business life cycle. The Company may also choose not to hedge certain foreign exchange exposures.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [52]

Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures”: Market risk management (*contd.*)

The net exposure to foreign currency risk (based on notional amount) in respect of recognised financial assets, recognised financial liabilities and derivatives for major categories is as follows:

₹ crore

Particulars	As at 31-3-2025				
	US Dollars including pegged currencies	EURO	Japanese Yen	Kuwaiti Dinar	British Pound
Net exposure to foreign currency risk in respect of recognised financial assets/(recognised financial liabilities)	(1088.59)	(395.96)	(165.01)	(79.94)	84.54
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to non-financial assets/(liabilities)	10.43	—	—	11.59	—
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to firm commitments and highly probable transactions	(10255.87)	(5938.46)	1257.80	1069.94	(60.92)
Receivable/(payable) exposure with respect to forward contracts and embedded derivatives not designated as cash flow hedge	(1970.81)	(44.63)	7.17	—	(73.89)

₹ crore

Particulars	As at 31-3-2024				
	US Dollars including pegged currencies	EURO	Japanese Yen	Kuwaiti Dinar	British Pound
Net exposure to foreign currency risk in respect of recognised financial assets/(recognised financial liabilities)	(3504.52)	(616.54)	(198.48)	135.55	(26.92)
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to non-financial assets/(liabilities)	208.69	(331.95)	(11.01)	—	—
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to firm commitments and highly probable transactions	2539.63	(14100.96)	1442.30	490.23	(108.56)
Receivable/(payable) exposure with respect to forward contracts and embedded derivatives not designated as cash flow hedge	1221.52	(424.23)	10.27	—	2.36

To provide a meaningful assessment of the foreign currency risk associated with the Company's foreign currency derivative positions against off-balance sheet exposures and unhedged portion of on-balance sheet financial assets and liabilities, the Company uses a multi-currency correlated value-at-risk (“VAR”) model. The VAR model uses a Monte Carlo simulation to generate thousands of random market price paths for foreign currencies against Indian rupee taking into account the correlations between them. The VAR is the expected loss in value of the exposure due to overnight movement in spot exchange rates, at 95% confidence interval. The VAR model is not intended to represent actual losses but is used as a risk estimation tool. The model assumes normal market conditions and is a historical best fit model. Because the Company uses foreign currency instruments for hedging purposes, the loss in fair value incurred on those instruments is generally offset by increases in the fair value of the underlying exposures for on-balance sheet exposures. The overnight VAR for the Company at 95% confidence level is ₹ 69.23 crore as at March 31, 2025 and ₹ 89.03 crore as at March 31, 2024.

Actual future gains and losses associated with the Company's investment portfolio and derivative positions may differ materially from the sensitivity analysis performed as at March 31, 2025 due to the inherent limitations associated with predicting the timing and amount of changes in foreign currency exchanges rates and the Company's actual exposures and position.

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [52]**

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management (*contd.*)

(ii) Interest rate risk:

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. While most of the Company's outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk, a major portion of foreign currency debt is linked to international interest rate benchmarks like SOFR. The Company may hedge a portion of these risks by way of derivatives instruments like interest rate swaps and currency swaps.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ crore		
Particulars	As at 31-3-2025	As at 31-3-2024
Floating rate borrowings	494.38	2711.93

A hypothetical 50 basis point shift in respective currency LIBORs and other benchmarks, holding all other variables constant, on the unhedged loans would result in a corresponding increase/decrease in interest cost for the Company on a yearly basis as follows:

₹ crore				
Particulars	Impact on Profit and Loss after tax		Impact on Equity	
	2024-25	2023-24	At at 31-3-2025	At at 31-3-2024
<b>Indian Rupee</b>				
Interest rates -increase by 0.5% in INR interest rate	(0.01)	0.03	(0.01)	0.03
Interest rates -decrease by 0.5% in INR interest rate	0.01	(0.03)	0.01	(0.03)
<b>US Dollar</b>				
Interest rates -increase by 0.5% in USD interest rate	(1.84)	(10.18)	(1.84)	(10.18)
Interest rates -decrease by 0.5% in USD interest rate	1.84	10.18	1.84	10.18

(b) Liquidity Risk Management:

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through adequate committed credit lines. Given the need to fund diverse businesses, the Company maintains flexibility by need based drawing from committed credit lines. Management regularly monitors the position of cash and cash equivalents. The maturity profiles of financial assets and financial liabilities including debt financing plans and liquidity ratios are considered while reviewing the liquidity position.

The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The Company uses a combination of internal and external tools to execute its investment strategy and achieve its investment objectives. The Company typically invests in money market funds, large debt funds, Government of India securities, equity funds and other highly-rated securities under a exposure limit framework. The investment policy focuses on minimising the potential risk of principal loss. To provide a meaningful assessment of the price risk associated with the Company's investment portfolio, the Company performed a sensitivity analysis to determine the impact of change in prices of the securities on the value of the investment portfolio assuming a 0.5% movement in the fair market value of debt funds and debt securities and a 5% movement in the NAV of the equity funds as below:

₹ crore		
Particulars	Increase/(decrease) in investment value	
	As at 31-3-2025	As at 31-3-2024
Debt funds and debt securities – increase by 0.50% in fair market value	73.48	44.89
Debt funds and debt securities – decrease by 0.50% in fair market value	(73.48)	(44.89)
Equity funds– increase by 5% in NAV	1.21	5.21
Equity funds– decrease by 5% in NAV	(1.21)	(5.21)

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [52]

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management (*contd.*)

(c) Credit Risk Management:

The Company's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases, retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation.

- (i) The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

	₹ crore	
Particulars	2024-25	2023-24
Balance as at April 1	4148.80	3968.78
Changes in loss allowance for expected credit loss:		
Provision/(reversal) of allowance for expected credit loss	580.16	323.80
Additional provision (net) towards credit impaired receivables	308.23	402.66
Write off as bad debts	(499.52)	(546.44)
Balance as at March 31 [refer Note 11]	4537.66	4148.80

- (ii) Trade receivable written off during the year but still enforceable for recovery amounts to Nil (previous year: Nil)

(d) Commodity price risk management:

The Company bids for and executes EPC projects on a turnkey basis. EPC projects entail procurement of various equipment and materials which may have direct or indirect linkages to commodity prices like steel (both long and flat steel), copper, aluminum, zinc, lead, nickel, cement etc. Accordingly, the Company is exposed to the price risk on these commodities. To mitigate the risk of commodity prices, the company relies on contractual provisions like pass through of prices, price variation provisions etc., and further uses hedging instruments where available (refer Note 53 (h)(ii)). There is a certain residual risk carried by the Company that cannot be hedged against.

The table given in the Risk Management section of Management Discussion and Analysis lists out the commodity exposure for the year (only for projects that been awarded and are under execution).



## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [53]**

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

			₹ crore	
Sr. No.	Particulars	Note	As at 31-3-2025	As at 31-3-2024
I.	Measured at fair value through Profit or Loss (FVTPL):			
(i)	Investment in equity instruments	5	97.43	96.82
(ii)	Investment in preference shares	10	53.02	–
(ii)	Investment in mutual funds	10	5159.07	1499.59
(iii)	Investment in bonds	10	217.20	347.73
(iv)	Investment in Invit	10	3980.37	2694.57
(v)	Derivative instruments not designated as cash flow hedges	7,15	38.18	18.31
(vi)	Embedded derivatives not designated as cash flow hedges	7,15	229.14	113.47
	Sub-total (I)		9774.41	4770.49
II.	Measured at amortised cost:			
(i)	Loans	6,14	1361.69	642.10
(ii)	Investment in CBLO, Commercial Paper and Certificate of Deposit	10	875.83	1422.61
(iii)	Trade receivables	11	38330.18	36960.53
(iv)	Other recoverable	15	1069.54	2200.17
(v)	Cash and cash equivalents and bank balances	7,12,13	4477.68	4983.23
(vi)	Other receivables		2622.08	1866.88
	Sub-total (II)		48737.00	48075.52
III.	Measured at fair value through Other comprehensive income (FVTOCI):			
(i)	Investment in government securities, bonds and debentures	10	14502.80	10848.86
(ii)	Derivative financial instruments designated as cash flow hedges	7,15	583.92	388.66
(iii)	Embedded Derivatives designated as cash flow hedges	7,15	77.22	56.85
	Sub-total (III)		15163.94	11294.37
	Total (I+II+III)		73675.35	64140.38

(b) Category-wise classification for applicable financial liabilities:

			₹ crore	
Sr. No.	Particulars	Note	As at 31-3-2025	As at 31-3-2024
I.	Measured at fair value through Profit or Loss (FVTPL):			
(i)	Derivative instruments not designated as cash flow hedges	20,26	17.14	25.39
(ii)	Embedded derivatives not designated as cash flow hedges	20,26	22.03	20.55
	Sub-total (I)		39.17	45.94
II.	Measured at amortised cost:			
(i)	Borrowings	19,23,24	21934.88	22540.47
(ii)	Trade payables			
	Due to micro enterprises and small enterprises		1170.16	873.17
	Due to others	25	37625.83	39868.09
(iii)	Lease liabilities		360.37	271.14
(iv)	Others		3152.12	3800.65
	Sub-total (II)		64243.36	67353.52
III.	Derivative instruments (including embedded derivatives) through Other comprehensive income:			
(i)	Derivative instruments designated as cash flow hedges	20,26	319.75	255.57
(ii)	Embedded derivatives designated as cash flow hedges	20,26	56.30	21.09
	Sub-total (III)		376.05	276.66
IV.	Financial guarantee contracts	20,26	25.93	50.39
	Total (I+II+III+IV)		64684.51	67726.51

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": (contd.)

(c) Items of income, expense, gains or losses related to financial instruments:

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
I	Net gains/(losses) on financial assets, financial liabilities measured at fair value through Profit or Loss and amortised cost		
A	(i) Financial assets or financial liabilities mandatorily measured at fair value through Profit or Loss:		
	1. Gains/(losses) on fair valuation or sale of Investments	440.13	242.03
	2. Gains/(losses) on fair valuation/settlement of derivative:		
	a. On forward contracts not designated as cash flow hedges	7.96	57.79
	b. On embedded derivatives contracts not designated as cash flow hedges	191.33	18.72
	c. On futures not designated as cash flow hedges	26.94	(23.07)
	Sub-total (A)	666.36	295.47
B	Financial assets measured at amortised cost:		
	(i) Exchange gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade receivables, loans given etc.)	197.55	(15.48)
	(ii) (Allowance)/reversal for expected credit loss during the year	(580.16)	(323.80)
	(iii) Reversal of provision/(provision) for impairment loss (other than expected credit loss) [net]	141.74	(185.12)
	(iv) Gains/(losses) on derecognition:		
	1. Bad debts (written off)/written back (net)	(21.03)	(45.89)
	2. Gains/(losses) on transfer of financial assets (on non-recourse basis)	(2.30)	(3.35)
	Sub-total (B)	264.20	(573.64)
C	Financial liabilities measured at amortised cost:		
	(i) Exchange gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade payables, borrowing availed etc.)	(302.38)	(79.95)
	(ii) Unclaimed credit balances written back	264.46	561.06
	Sub-total (C)	(37.92)	481.11
	Total [I] = (A+B+C)	364.24	202.94
II	Net gains/(losses) on financial assets and financial liabilities measured at fair value through Other comprehensive income:		
A	Gains/(losses) recognised in Other comprehensive income:		
	(i) Financial assets measured at fair value through Other comprehensive income:		
	1. Gains/(losses) on fair valuation or sale of government securities, bonds, debentures etc.	281.33	178.96
	(ii) Derivative measured at fair value through Other comprehensive income :		
	1. Gains/(losses) on fair valuation or settlement of forward contracts designated as cash flow hedges	376.04	(123.72)
	2. Gains/(losses) on fair valuation or settlement of embedded derivative contracts designated as cash flow hedges	(20.55)	(13.72)
	Sub-total (A)	636.82	41.52
	Less:		
B	Gains/(losses) reclassified to Profit or Loss from Other comprehensive income:		
	(i) Financial assets measured at fair value through Other comprehensive income :		
	1. On government securities, bonds, debentures etc. upon sale	17.07	7.03
	(ii) Derivative measured at fair value through Other comprehensive income:		
	1. On forward contracts upon hedged future cash flows affecting the Profit or Loss or related asset or liability	43.03	56.42
	2. On embedded derivative contracts upon hedged future cash flows affecting the Profit or Loss or related asset or liability	15.80	16.89
	Sub-total (B)	75.90	80.34
	Net gains/(losses) recognised in Other comprehensive income [II]= (A)-(B)	560.92	(38.82)

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [53]**

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": (contd.)

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
III	Other income/(expenses):		
A	Dividend income:		
	Dividend income from investments measured at FVTPL	19.54	6.43
	Sub- total (A)	19.54	6.43
B	Interest income:		
(a)	Financial assets measured at amortised cost	162.63	397.83
(b)	Financial assets measured at fair value through Other comprehensive income	1117.02	1,046.94
(c)	Financial assets measured at fair value through Profit or Loss	88.40	277.60
	Sub- total (B)	1368.05	1722.37
C	Interest expense:		
(a)	Derivative instruments (including embedded derivatives) that are measured at fair value through Other comprehensive income (reclassified to Profit or Loss during the period)	–	–
(b)	Derivative instruments that are measured at fair value through Profit or Loss	(21.23)	(23.80)
(c)	Financial liabilities that are measured at amortised cost	(1910.78)	(2035.59)
	Sub- total (C)	(1932.01)	(2059.39)
	Total [III] = (A+B+C)	(544.41)	(330.59)
(d)	Fair value of financial assets and financial liabilities measured at amortised cost:		
(i)	Financial assets measured at amortised cost:		
	The carrying amounts of trade receivables, loans, advances, investments in CBLO, Commercial Paper and Certificate of Deposit and cash & other bank balances are considered to be the same as their fair values due to their short-term nature. The carrying amounts of long-term loans given with floating rate of interest are considered to be close to the fair value.		
(ii)	Financial liabilities measured at amortised cost:		

					₹ crore
Particulars	As at 31-3-2025		As at 31-3-2024		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
Redeemable non-convertible fixed rate debentures	15994.49	16115.70	15535.41	15559.20	L2 <sup>[1]</sup>
Total	15994.49	16115.70	15535.41	15559.20	

Note: The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short-term nature. The carrying amounts of current borrowings at fixed rate and other borrowings at floating rate of interest are considered to be close to the fair value.

<sup>[1]</sup> Valuation technique L2: Future cash flows discounted using market rates.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": (contd.)

(e) Fair value hierarchy of financial assets and liabilities measured at fair value:

		As at 31-3-2025				As at 31-3-2024			
Particulars	Note	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>									
(a) Designated at FVTPL:									
(i) Equity shares (other than those held in subsidiary, joint ventures & associate companies)	5	6.89	–	90.54	97.43	10.14	–	86.68	96.82
(ii) Preference shares	10	–	–	53.02	53.02	–	–	–	–
(iii) Mutual fund units	10	5159.07	–	–	5159.07	1499.59	–	–	1499.59
(iv) Bonds	10	217.80	–	–	217.80	347.73	–	–	347.73
(v) InvITs	10	3980.37	–	–	3980.37	2694.57	–	–	2694.57
(vi) Derivative instruments not designated as cash flow hedges	7,15	–	38.18	–	38.18	–	18.31	–	18.31
(vii) Embedded derivative Instruments not designated as cash flow hedges	7,15	–	229.14	–	229.14	–	113.47	–	113.47
(b) Designated at FVTOCI:									
(i) Debt instruments viz. government securities, bonds and debentures	10	14502.80	–	–	14502.80	10848.86	–	–	10848.86
(ii) Derivative financial instruments designated as cash flow hedges	7,15	–	583.92	–	583.92	–	388.66	–	388.66
(iii) Embedded derivative financial instruments designated as cash flow hedges	7,15	–	77.22	–	77.22	–	56.85	–	56.85
Total		23919.33	928.46	143.56	24938.35	15400.89	577.30	86.68	16064.86
<b>Financial Liabilities:</b>									
(a) Designated at FVTPL:									
(i) Derivative instruments not designated as cash flow hedges	20,26	–	17.14	–	17.14	–	25.39	–	25.39
(ii) Embedded derivative instruments not designated as cash flow hedges	20,26	–	22.03	–	22.03	–	20.55	–	20.55
(b) Designated at FVTOCI:									
(i) Derivative financial instruments designated as cash flow hedges	20,26	–	319.75	–	319.75	–	255.58	–	255.58
(ii) Embedded derivative financial instruments designated as cash flow hedges	20,26	–	56.30	–	56.30	–	21.09	–	21.09
Total		–	415.22	–	415.22	–	322.61	–	322.61

Valuation technique and key inputs used to determine fair value -

- Level-1 : Equity shares, mutual funds, bonds, InvITs, debentures and government securities- Quoted price in the active market
- Level-2 : Derivative instrument – Mark to market on forward covers and embedded derivative instruments is based on forward exchange rates at the end of reporting period and discounted using G-sec rate plus applicable spread.

(f) Movement of items measured using unobservable inputs (Level 3):

Particulars	Equity Investment in Tidel Park Limited	Preference shares
Balance as at April 01, 2023	78.69	–
Gains/(losses) recognised in Profit or Loss during FY 2023-24	7.89	–
Balance as at March 31, 2024	86.58	–
Addition during the year	–	53.02
Gains/(losses) recognised in Profit or Loss during FY 2024-25	3.85	–
Balance as at March 31, 2025	90.43	53.02

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [53]**

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": (contd.)

Significant unobservable inputs used in level 3 fair value measurements and sensitivity of the fair value measurement to changes in unobservable inputs.

Particulars	Fair value as at		Significant unobservable inputs	Sensitivity
	31-3-2025	31-3-2024		
	₹ crore			
Investment in equity shares of Tidel Park Limited	90.43	86.58	31-3-2025 and 31-3-2024: 1. Net realization per month ₹ 38 and ₹ 35 per sqft respectively. 2. Capitalisation rate 12% and 11.50% respectively	31-3-2025 and 31-3-2024: 1% change in net realization would result in +/- ₹ 1.75 crore (post tax- ₹ 1.31 crore) [PY: +/- ₹ 0.31 crore (post tax- ₹ 0.23 crore)] 25 bps change in capitalization rate would result in +/- ₹ 0.66 crore (post tax- ₹ 0.50 crore) [+/- ₹ 0.66 crore (post tax- ₹ 0.50 crore)]
Investment in preference shares	53.02	—	Not applicable	31-03-2025 The valuation is based on expected settlement

(g) Maturity Profile of Financial Liabilities (undiscounted values):

Particulars	Note	As at 31-3-2025			As at 31-3-2024		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
		₹ crore			₹ crore		
A. Non derivative liabilities:							
Borrowings	19, 23, 24	13136.44	14051.04	27187.48	11022.78	14849.90	25872.68
Trade payables:	25						
Due to micro enterprises and small enterprises		1170.16	—	1170.16	860.92	12.25	873.17
Due to others		36896.12	729.71	37625.83	39331.29	536.80	39868.09
Other financial liabilities	20, 26	3083.65	94.38	3178.03	3728.39	122.64	3851.04
Lease liabilities		136.54	244.91	381.45	128.95	154.08	283.03
Total		54422.91	15120.04	69542.94	55072.33	15675.67	70748.00
B. Derivative liabilities:							
Forward contracts	20, 26	304.19	36.45	340.64	272.94	11.11	284.05
Embedded derivatives	20, 26	27.50	50.83	78.33	41.64	—	41.64
Total		331.69	87.28	418.97	314.58	11.11	325.69

(h) Details of outstanding hedge instruments for which hedge accounting is followed:

(i) Outstanding currency exchange rate hedge instruments

A. Forward covers taken to hedge exchange rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(a) Receivable hedges								
US Dollar	9687.83	86.79	8963.77	724.06	13390.81	84.48	11634.39	1756.41
Japanese Yen	3014.34	0.62	1299.97	1714.37	2674.33	0.56	1411.98	1262.35
Kuwaiti Dinar	1549.55	279.66	1367.67	181.88	795.30	275.25	790.64	4.66
Qatari Riyal	1349.16	23.57	1341.85	7.32	1816.12	22.89	1777.63	38.50
EURO	1158.62	94.83	1071.34	87.28	768.41	93.84	607.89	160.53
Arab Emirates Dirham	734.74	23.46	723.77	10.97	705.19	22.68	605.11	100.08
Malaysian Ringgit	389.74	19.48	227.87	161.87	190.06	18.03	190.06	—
Saudi Riyal	167.47	23.14	167.47	—	—	—	—	—
Indonesian Rupiah	52.92	0.01	52.92	—	—	—	—	—
Omani Riyal	38.88	223.39	38.88	—	10.91	219.16	10.91	—
Chinese Yuan	7.39	12.00	723.77	10.97	—	—	—	—
Thai Baht	—	—	—	—	22.93	2.43	22.93	—

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": (contd.)

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(b) Payable hedges								
US Dollar	20873.13	87.85	13609.19	7263.94	14007.75	85.73	9499.57	4508.18
EURO	8710.83	93.16	7382.89	1327.94	16366.04	92.11	14907.34	1458.71
Japanese Yen	1671.83	0.59	1326.49	345.34	1152.07	0.56	1130.91	21.16
Arab Emirates Dirham	918.71	23.60	918.71	—	562.70	22.85	562.70	—
Saudi Riyal	702.32	22.80	702.32	—	—	—	—	—
Qatari Riyal	493.38	23.79	493.38	—	120.39	22.87	120.39	—
Kuwaiti Dinar	218.07	281.22	218.07	—	171.79	273.47	171.79	—
Swiss Franc	203.30	98.72	196.60	6.70	188.90	89.23	187.69	1.20
British Pound	82.10	111.43	73.04	9.05	158.29	104.59	146.59	11.70
Chinese Yuan	15.57	12.00	15.57	—	17.86	11.75	17.86	—
Norwegian krone	0.53	8.59	0.53	—	—	—	—	—
Canadian Dollar	—	—	—	—	1.80	61.55	1.80	—

#### B. Forward covers accounted as Net Investment Hedge:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Receivable:								
US Dollars	318.13	86.92	318.13	—	—	—	—	—
Arab Emirates Dirham	15.92	23.49	15.92	—	32.57	22.82	32.57	—
Saudi Riyal	—	—	—	—	194.58	22.28	194.58	—

#### C. Options contract:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Receivable hedges:								
US Dollars/Japanese Yen	508.95	<sup>(1)</sup>	—	508.95	446.07	<sup>(1)</sup>	—	446.07

<sup>(1)</sup> The options contracts include a combination of cross currency calls and puts with different maturities and strike prices.

#### (ii) Outstanding commodity price hedge instruments

##### A. Commodity forward contract:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Copper(Tn)	1383.87	799083.26	1375.72	8.15	625.48	710211.45	625.48	—
Aluminium(Tn)	1144.19	224722.29	1058.89	85.29	659.90	192407.39	649.96	9.93
Iron Ore(Tn)	7.40	7252.07	7.40	—	14.29	7309.80	6.95	7.34
Nickel(Tn)	89.58	1468458.31	89.58	—	130.21	1778778.54	130.21	—
Lead(Tn)	36.55	177848.50	36.55	—	55.58	173424.85	55.58	—

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [53]**

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": (contd.)

B. Commodity options contract:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Aluminium (Tn)	183.97	<sup>[1]</sup>	183.97	—	112.48	<sup>[1]</sup>	112.48	—
Copper (Tn)	173.52	<sup>[1]</sup>	173.52	—	301.25	<sup>[1]</sup>	301.25	—

<sup>[1]</sup> The options contracts include a combination of calls and puts with different maturities and strike prices.

(i) Carrying amounts of hedge instruments for which hedge accounting is followed:

A. Cash flow hedge:

Particulars	As at 31-3-2025		As at 31-3-2024	
	Currency exposure	Commodity price exposure	Currency exposure	Commodity price exposure
(i) Forward contracts				
Current:				
Asset - Other financial assets	373.21	46.39	208.95	51.98
Liability - Other financial liabilities	228.82	53.19	233.97	36.86
Non current:				
Asset - Other financial assets	102.35	0.33	170.98	—
Liability - Other financial liabilities	64.31	0.27	5.83	—
(ii) Option contracts				
Current:				
Asset - Other financial assets	72.63	16.97	—	13.60
Liability - Other financial liabilities	—	9.34	—	—
Non current:				
Asset - Other financial assets	26.23	20.79	—	—
Liability - Other financial liabilities	0.01	20.11	—	—

B. Net Investment Hedge:

Particulars	As at 31-3-2025	As at 31-3-2024
	Currency exposure	Currency exposure
(i) Forward contracts		
Current:		
Asset - Other financial assets	2.23	—

(j) Breakup of hedging reserve & cost of hedging reserve balance:

Particulars	As at 31-3-2025		As at 31-3-2024	
	Cash flow hedging reserve	Cost of hedging reserve	Cash flow hedging reserve	Cost of hedging reserve
Balance towards continuing hedges	30.04	138.38	(25.33)	(4.68)
Balance for which hedge accounting discontinued	162.07	—	92.22	—



## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": (contd.)

(k) Reclassification of hedging reserve & cost of hedging reserve to Profit or Loss

₹ crore

Particulars	Hedging reserve/Cost of hedging reserve	
	2024-25	2023-24
Future cash flows are no longer expected to occur:		
Sales, administration and other expenses	(53.18)	0.64
Hedged expected future cash flows affecting Profit or Loss:		
Progress billing	(61.19)	5.78
Revenue from operation	38.65	(2.71)
Manufacturing ,construction and operating expenses	75.74	(42.77)
Sales, administration and other expenses	(2.38)	118.16

(l) Movement of hedging reserve & cost of hedging reserve

₹ crore

Hedging reserve	2024-25			2023-24		
	Gross	Tax	Net of Tax	Gross	Tax	Net of Tax
Opening balance	107.77	(40.88)	68.89	319.93	(91.15)	228.78
Changes in the spot element of the forward contracts which is designated as hedging instrument for time period related hedges	5.34	(1.33)	4.01	56.01	(13.27)	42.74
Changes in fair value of forward contracts designated as hedging instruments	185.93	(46.33)	139.60	(190.35)	45.11	145.24
Amount reclassified to Profit or Loss	(85.71)	21.36	(64.35)	(76.52)	18.13	(58.39)
Amount included in non-financial asset/liability	0.03	(0.01)	0.02	4.48	(1.06)	3.42
Amount included in Progress Billing in balance sheet	61.19	(15.25)	45.94	(5.78)	1.37	(4.41)
Closing balance	274.55	(82.44)	192.11	107.77	(40.88)	66.89

₹ crore

Cost of hedging reserve	2024-25			2023-24		
	Gross	Tax	Net of Tax	Gross	Tax	Net of Tax
Opening balance	(6.25)	1.57	(4.68)	(6.37)	1.60	(4.77)
Changes in the forward element of the forward contracts where changes in spot element of forward contract is designated as hedging instrument for time period related hedges	164.28	(41.33)	122.95	(3.09)	0.78	(2.31)
Amount reclassified to Profit or Loss	26.88	(6.77)	20.11	3.21	(0.81)	2.40
Closing balance	184.92	(46.53)	138.38	(6.25)	1.57	(4.68)

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [54]

Disclosure pursuant to Ind AS 116 "Leases"

(a) Where the Company is a lessor:

Operating leases: The Company has given land, buildings and plant & equipment under operating lease. The lease income received during the year is 198.81 crore (previous year: 161.02 crore). Leases are renewed only on mutual consent and at a prevalent market price and sub-lease is generally restricted.

Annual undiscounted lease payments receivable is as under:

₹ crore

Particulars	Upto 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Beyond 5 years	Total
As at 31-3-2025	157.36	143.20	135.41	93.76	49.53	334.34	913.62
As at 31-3-2024	122.01	102.55	83.32	80.61	49.53	384.95	822.97

(b) Where the Company is a lessee:

The Company has taken various assets on lease such as, plant and equipment, land, buildings, office premises, vehicles and computer equipment. Generally, leases are renewed only on mutual consent and at a prevalent market price and sub-lease is restricted.

Details with respect to right-of-use assets:

₹ crore

Class of asset	Depreciation for the year		Additions during the year		Carrying amount	
	2024-25	2023-24	2024-25	2023-24	As at 31-3-2025	As at 31-3-2024
Land	7.61	4.45	20.78	0.56	271.20	257.95
Buildings	110.62	90.64	115.56	157.75	195.02	201.02
Plant & equipment	6.89	18.73	—	1.06	3.82	10.71
Vehicles	11.57	0.14	98.29	6.08	91.85	5.93
Computer	—	0.34	—	—	—	—
Total	136.69	114.30	234.63	165.45	561.89	475.61

- i. Interest expense on lease liabilities amounts to ₹ 26.41 crore (previous year: ₹ 17.64 crore).
- ii. The expense relating to payments not included in the measurement of lease liability and recognized as expense in the Statement of Profit and Loss during the year are as follows:
  - Low value leases - ₹ 82.71 crore (previous year: ₹ 49.78 crore)
  - Short-term leases - ₹ 4009.84 crore (previous year: ₹ 3690.36 crore)
- iii. Total cash out flow for leases amounts to ₹ 4099.20 crore during the year (previous year: ₹ 3067.64 crore) including cash outflow of short-term and low value leases.
- iv. Gain arising from sale and lease back transaction ₹ Nil (Previous year ₹ 23.47 crore)

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [55]

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2024. The disclosure pursuant to the said Act is as under:

			₹ crore	
			2024-25	2023-24
Particulars				
Principle amount due to suppliers under MSMED Act, 2006			152.19	23.42
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid			4.91	1.72
Payment made to suppliers (other than interest) beyond the appointed day during the year			1190.63	633.97
Interest paid to suppliers under MSMED Act (Section 16)			0.87	0.79
Interest due and payable towards suppliers under MSMED Act for payments already made			21.11	15.19
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act			38.37	25.78
Amount of further interest remaining due and payable even in the succeeding years			0.67	0.41

### NOTE [56]

There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2025.

### NOTE [57]

Disclosure pursuant to regulation 34 (3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 186 of the Companies Act, 2013.

Sr. No.	Nature of the transaction (loans given)	Purpose for which the loan is proposed to be utilised by the recipient	Rate of Interest for loan outstanding as at 31-3-2025	Balance as at		Maximum outstanding during	
				31-3-2025	31-3-2024	2024-2025	2023-2024
(a)	L&T Special Steels & Heavy Forgings Private Limited <sup>[1]</sup>	Working Capital and Project funding	7.00%	1905.16	1730.38	1905.16	1730.38
(b)	Nabha Power Limited	FGD Project Funding	10.50%	495.22	383.75	495.22	383.75
(c)	L&T Geostructure Private Limited	Project funding	7.00%	13.26	17.77	18.90	23.04
(d)	L&T Sapura Shipping Private Limited Bridge Loan	Working Capital and Support for refinancing of loan taken for vessel	5.50%	218.12	204.05	218.12	347.47
(e)	L&T Heavy Engineering LLC	Working Capital	—	—	—	—	82.37
(f)	L&T Energy Green Tech Limited	Working Capital and Project Funding	—	—	18.16	28.23	18.16
(g)	Business Park (Powai) Private Limited	Working Capital	—	—	17.92	19.03	17.92
Total				2631.76	2372.03		

<sup>[1]</sup> Excluding impairment of ₹ 1270.45 crore (previous year: ₹ 1730.38 crore)

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [57] (contd.)

Notes:

- I. Above loans are unsecured
- II. Above figures include interest accrued
- III. Loans to employees (including directors) under various schemes of the company (such as housing loan, furniture loan, education loan, etc.) have been considered to be outside the purview of disclosure requirements.
- IV. Subsidiary classification is in accordance with the Companies Act, 2013

Sr. No.	Nature of the transaction (investment made/guarantee given/security provided)	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	Balance as at	
			31-3-2025	31-3-2024
(A)	Guarantees given to Subsidiary & Joint venture Companies:			
(i)	L&T - MHI Power Turbine Generators Private Limited	Corporate Guarantee given for subsidiary's financial obligations	211.67	210.56
(ii)	L&T Metro Rail (Hyderabad) Limited	Corporate Guarantee given for subsidiary's financial obligations	8616.00	8616.00
(iii)	Larsen & Toubro Arabia LLC	Corporate Guarantee given for subsidiary's performance obligations	16840.10	18587.34
(iv)	L&T Technology Services Limited	Corporate Guarantee given for subsidiary's performance obligations	503.19	491.09
(v)	L&T Technology Services LLC	Corporate Guarantee given for subsidiary's performance obligations	170.95	166.81
(vi)	Larsen & Toubro (Saudi Arabia) LLC	Corporate Guarantee given for subsidiary's performance obligations	19216.49	18946.29
(vii)	LTIMindtree Limited	Corporate Guarantee given for subsidiary's performance obligations	552.54	539.27
(viii)	L&T Hydrocarbon Saudi Company LLC	Corporate Guarantee given for subsidiary's performance obligations	54257.11	60762.23
(ix)	L&T - MHI Power Boilers Private Limited	Guarantees issued by bank out of the Company's sanctioned limits for subsidiary's performance obligations	19.41	19.39
(x)	Nabha Power Limited	Guarantees issued by bank out of the Company's sanctioned limit for subsidiary's financial obligations	216.00	216.00
(xi)	L&T Special Steel & Heavy Forgings Private Limited	Guarantees issued by bank out of the Company's sanctioned limits for performance obligations	13.27	13.27
(xii)	L&T Realty Properties Limited	Guarantees issued by bank out of the Company's sanctioned limits for CTO and CTE compliances to Maharashtra Pollution Control Board and for performance obligations	4.00	3.75
(xiii)	L&T Geostructure Private Limited	Guarantees issued by bank out of the Company's sanctioned limits for performance obligations	559.00	—
(xiv)	Larsen & Toubro International FZE	Corporate Guarantee given for subsidiary's performance obligations	21679.07	21154.05
(xv)	LTH Milcom Private Limited	Corporate Guarantee given for subsidiary's performance obligations	4.09	4.09
(xvi)	L&T Electrolysers Limited	Guarantees issued by bank for-Solar Energy Corporation of India Ltd., New Delhi-SIGHT scheme (PLI) for performance obligation	44.40	44.40
(xvii)	L&T Energy Green Tech Limited	Guarantees issued by bank for -Deendayal Port Authority, Solar Energy Corporation of India Ltd., IOCL, BPCL & HPCL for performance obligation	173.24	—
	Total		123080.53	129774.54
(B)	Investments in fully paid equity instruments and Current Investments		[Note 5 and Note 10]	

Note: Subsidiary classification is in accordance with Companies Act, 2013

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [58]

Following are the analytical ratios for the year ended March 31, 2025, and March 31, 2024

₹ crore					
Ratio	Numerator	Denominator	As at 31-3-2025	As at 31-3-2024	Variance %
Current Ratio (times)	Current Assets	Current Liabilities	1.27	1.26	1.0%
Debt Equity Ratio (times)	Total debt	Shareholder's Equity	0.31	0.35	-12.7%
Debt Service Coverage Ratio (times)	Earnings available for debt service <sup>[1]</sup>	Debt Service <sup>[2]</sup>	2.14	1.84	16.6%
Return on Equity Ratio (%)	Profit for the year after tax	Average Shareholders Equity	15.94%	13.71%	16.2%
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	NA <sup>[7]</sup>	NA <sup>[7]</sup>	NA
Trade Receivables Turnover Ratio	Revenue from operations	Average Gross Trade Receivables	3.39	3.23	5.2%
Trade Payables Turnover Ratio	Purchases <sup>[3]</sup>	Average Trade Payables	2.93	2.52	16.3%
Net Capital Turnover Ratio	Revenue from operations	Average Working Capital	5.29	4.35	21.8%
Net Profit Ratio (%)	Profit for the year after tax	Revenue from Operations	7.63%	7.39	3.2%
Return on Capital Employed (%)	Profit after tax + Finance Cost (net off tax on Finance Cost)	Average Capital Employed <sup>[4]</sup>	13.45%	12.25%	9.8%
Return on Investment (%)	Treasury Income <sup>[5]</sup>	Average investment <sup>[6]</sup>	11.25%	9.23%	21.9%

<sup>[1]</sup> Profit before interest, tax and exceptional items

<sup>[2]</sup> Finance cost + Principal repayments (net of refinancing) made during the year for long term borrowings

<sup>[3]</sup> Includes Manufacturing, construction, and operating expenses

<sup>[4]</sup> Includes average equity and average loan funds (including interest bearing advances)

<sup>[5]</sup> Includes profit/loss on sale and fair valuation of current investments, dividend on current investment and interest income

<sup>[6]</sup> Includes current investment, Inter corporate deposits, Fixed deposits and Collateralised Borrowing and Lending Obligation

<sup>[7]</sup> Not material considering the size and the nature of operations of the Company.

<sup>[8]</sup> There are no variances exceeding 25% over previous year.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [59]

Exceptional items (net of tax) for 2024-25 is on account of the following:

- (i) The Company entered into a Joint Venture Termination Agreement with Nuclear Power Corporation of India Limited (NPCIL) on February 18, 2025, for purchase of NPCIL's 26% equity and preference shareholdings in L&T Special Steel and Heavy Forgings Private Limited (LTSSHF) and assignment of NPCIL loan to LTSSHF for a consideration of ₹ 170 crore. Pursuant to this, LTSSHF has become a wholly owned subsidiary of the Company with effect from February 18, 2025. The exceptional item during the year ended March 31, 2025, represents (a) partial reversal of funded resources impaired in earlier years: ₹ 459.94 crore and (b) reversal of provision towards constructive obligation: ₹ 14.84 crore.

Exceptional items (net of tax) for 2023-24 includes the following:

- (i) Gain of ₹ 397.97 crore on transfer of Carved-out Business of Smart World and Communication (SWC) Business unit of the Company to L&T Technology Services Limited (LTTS), a listed subsidiary with effect from April 1, 2023.
- (i) Gain on divestment of stake in L&T Transportation Infrastructure Limited, a subsidiary of EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) [L&T IDPL]: ₹ 97.05 crore.
- (ii) Reduction in the carrying value of investment in L&T IDPL to its net realisable value after considering customary closing adjustments: ₹ 47.03 crore.

### NOTE [60]

Disclosure related to Corporate Social Responsibility (CSR):

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
(i)	Required to be spent	164.61	150.98
(ii)	Excess spend of previous year utilised	12.66	8.80
(iii)= (i)-(ii)	Spend obligation	151.95	142.18
(iv)	Actual spent	163.65	154.84
	Of which amount recognised in:		
(a)	Balance sheet	11.70	12.66
(b)	Statement of Profit and Loss	151.95	142.18
(v)	Excess spend shown as asset in previous year charged to Statement of Profit and Loss on its utilisation	12.66	8.80
(iv b)+(v)	Total amount shown in Statement of Profit and Loss	164.61	150.98

- i. Refer Annexure C to the Board Report for the nature of CSR activities of the Company.

### NOTE [61]

Auditors' remuneration (excluding GST):

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
a)	Paid as Auditor		
	(i) Statutory audit fees	4.68	3.60
	(ii) Limited review of standalone and consolidated financial statements on a quarterly basis	3.02	2.60
b)	For Taxation matters	0.50	0.80
c)	For other services including certification work	2.02	1.46
d)	For reimbursement of expenses	0.61	0.24

### NOTE [62]

Recent pronouncements:

There are no standards of accounting or any addendum thereto, prescribed by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013, which are issued but are not yet effective as at March 31, 2025.

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

a) Notes with respect to remarks in CARO Report:

- (i) L&T Special Steels and Heavy Forgings Private Limited (LTSSHF), a wholly owned subsidiary, has not repaid the loan and net interest thereon aggregating to ₹ 2,308.63 crore (amount due for more than 90 days is ₹ 2,290.14 crore) to the Parent Company due to insufficient funds. During the year, the Company has acquired the balance 26% stake in LTSSHF from the JV partner. Pursuant to this, LTSSHF has become a wholly owned subsidiary of the Company with effect from February 18, 2025. This acquisition of stake is a part of its strategic plan to restructure and improve financial & operational efficiency of LTSSHF. (Refer note 59)
- (ii) During the year, the Company renewed the loan of ₹ 182.06 crore to L&T Sapura Shipping Private Limited (LTSSPL), a subsidiary<sup>[1]</sup> on account of shortfall in operational cashflows of the subsidiary. The management is deliberating various options for repayment of loan.

<sup>[1]</sup> Subsidiary classification is in accordance with the Companies Act, 2013.

(b) Balances with Struck off Companies

₹ crore					
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
1	AT and LS Private Limited	Accounts Payables	NA	0.05	0.05
2	Terra Firma Promoters and Developers Private Limited	Accounts Payables	NA	0.13	0.13
3	Genesis Infosolutions Private Limited	Accounts Payables	NA	0.05	0.05
4	Wipo Teleservices Private Limited	Accounts Payables	NA	0.07	0.07
5	P S Steel Tubes Limited	Accounts Payables	NA	—	—
6	Century Cement Limited	Accounts Payables	NA	— <sup>[1]</sup>	— <sup>[1]</sup>
7	Diamond Cements Private Limited	Accounts Payables	NA	—	0.05
8	Tropical Granites India Private Limited	Accounts Payables	NA	— <sup>[1]</sup>	— <sup>[1]</sup>
9	P S Steel Tubes Private Limited	Accounts Payables	NA	0.49	0.03
10	Planet Hard Consultancy Private Limited	Accounts Payables	NA	0.01	0.01
11	Payal Synthetics Private Limited	Accounts Payables	NA	— <sup>[1]</sup>	— <sup>[1]</sup>
12	RK Gautam Construction Private Limited	Accounts Payables	NA	0.01	0.01
13	Ethos Coatings and Engineers Private Limited	Accounts Payables	NA	0.38	0.53
14	Probus Infratech Private Limited	Accounts Payables	NA	0.01	0.01
15	Unique Fabricators and Erectors Private Limited	Accounts Payables	NA	—	0.03
16	Varad Infra Projects (P) Limited	Accounts Payables	NA	0.01	0.02
17	SI Mallik Infrastructure Private Limited	Accounts Payables	NA	—	0.05
18	Profusion Engineering Private Limited	Accounts Payables	NA	—	— <sup>[1]</sup>
19	Bently Nevada India Private Limited	Accounts Payables	NA	— <sup>[1]</sup>	0.33
20	Ye Power Transmission Private Limited	Accounts Payables	NA	— <sup>[1]</sup>	— <sup>[1]</sup>
21	Aarib Constructions Private Limited	Accounts Payables	NA	0.02	0.02
22	Sriya Tunnel Construction Private Limited	Accounts Payables	NA	0.02	0.02
23	Onella Visions Private Limited	Accounts Payables	NA	0.01	0.01
24	Sheoveena Construction Private Limited	Accounts Payables	NA	0.01	0.01
25	Jatra Services India Private Limited	Accounts Payables	NA	0.01	0.01



## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [63]**

(b) Balances with Struck off Companies (contd.)

					₹ crore	
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024	
26	Shri Vedika Engineering Private Limited	Accounts Payables	NA	0.06	0.09	
27	Arj Infra Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
28	Om Pranav Infrastructure Engineering Private Limited	Accounts Payables	NA	0.02	0.02	
29	Balaji Infrastructure Td Private Limited	Accounts Payables	NA	0.01	0.01	
30	Manish Duggal Telecom Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.01	
31	Torobuild Constructions Opc Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
32	Zaaharveer Projects Private Limited	Accounts Payables	NA	0.13	0.13	
33	Real Construction Private Limited	Accounts Payables	NA	0.02	0.02	
34	Shrishti Technologies Private Limited	Accounts Payables	NA	0.04	0.04	
35	Yira Tranmission Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
36	Raas Infratech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
37	Marine Outfitting Private Limited	Accounts Payables	NA	0.04	0.04	
38	Advance Mep Solutions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
39	Aerocon Hyderabad Infraprojects Private Limited	Accounts Payables	NA	0.01	0.02	
40	Maxtel Constructions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
41	Complete Health And Enviro Solutions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.01	
42	S K Modern Construction andEngineering Private Limited	Accounts Payables	NA	0.10	0.10	
43	Presstech Engineering And Technologies (Chennai) Private Limited	Accounts Payables	NA	0.03	0.06	
44	Q-Tec Management Services India Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
45	Domya Contracts Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.02	
46	R K Cranes Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
47	Rdengicon Private Limited	Accounts Payables	NA	0.06	0.06	
48	N T Enterprise Private Limited	Accounts Payables	NA	0.03	0.03	
49	Vk Management Services Private. Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
50	Rani Aishwarya Infracon Private Limited	Accounts Payables	NA	0.01	0.01	
51	Gulba Topographical Surveyors Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
52	JD Safety Efficiency Bureau Guarding Experts Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
53	Ace Industrial Electrical And Engineering Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
54	Swift Equipments Private Limited	Accounts Payables	NA	0.01	0.01	
55	Sieat Consultancy Private Limited	Accounts Payables	NA	0.06	0.06	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
56	Brightom Hospitality andEvents Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
57	Escalador Geo-Systems And Engineering Survey Private Limited	Accounts Payables	NA	0.01	0.01
58	Priyanka Managment Solution (India) Private Limited	Accounts Payables	NA	0.48	0.50
59	Dream Shine Constructions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
60	Thought Zone Consulting Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
61	Rockhard Infrastructure Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
62	Stellent Engineering Solutions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
63	Saj Infratech Private Limited	Accounts Payables	NA	0.01	0.01
64	Kegan Constructions Private Limited	Accounts Payables	NA	0.03	0.03
65	Kiswa Engineering Private Limited	Accounts Payables	NA	0.04	0.04
66	Kilimanjaro Energy Resurgence Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
67	Aircon System Engineers Private Limited ( Agartala )	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
68	UKR Infra Private Limited	Accounts Payables	NA	0.02	0.02
69	Jodhpur Infra-Con Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
70	Mohapatra Infracon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
71	Artisans Design andBuild Private. Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
72	Ham Constructions andEngineering Works Private Limited	Accounts Payables	NA	0.01	0.01
73	Elemech Buildcon Private Limited	Accounts Payables	NA	0.01	0.01
74	Safety And Environment Education For Development Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
75	Hi-Volt Engineering Private Limited	Accounts Payables	NA	0.01	0.01
76	Chaudhary Om Parkash Earth Movers Private Limited	Accounts Payables	NA	0.04	0.04
77	Amritlaxmi Properties Private Limited	Accounts Payables	NA	0.02	0.02
78	Float Italino Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
79	Vishnuvedanga Infra-Tech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
80	Rattiputra Construction Private Limited	Accounts Payables	NA	0.01	0.01
81	JRK Infra Projects (India) Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
82	Friends Civil Works Private Limited	Accounts Payables	NA	0.01	0.01
83	Z Rose Constructions andInteriors Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
84	Vishwa Infratech andProjects Private Limited	Accounts Payables	NA	0.01	0.01

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [63]**

(b) Balances with Struck off Companies (contd.)

					₹ crore	
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024	
85	Mei Engineers Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
86	Chandrawati Power Construction Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
87	Utech Infracon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
88	Silk Route Infrastructure Private Limited	Accounts Payables	NA	0.05	0.05	
89	Jrc Biuildcon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
90	Brahmaputra Engitech Private Limited	Accounts Payables	NA	0.01	0.01	
91	Nevil Consultancy Services Private. Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
92	Timely Developers Consultants Private Limited	Accounts Payables	NA	0.02	0.02	
93	Dwarkesh Buildcom Private Limited	Accounts Payables	NA	0.05	0.06	
94	Neon Elecon Services Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
95	Ampere Engineering And Constructions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
96	Vertex Realtech Infra Private. Limited	Accounts Payables	NA	0.49	0.50	
97	Janakraj Infraservices Private Limited	Accounts Payables	NA	0.01	0.01	
98	Mordengreen Biotech Private Limited	Accounts Payables	NA	0.03	0.03	
99	Brjs Contractors Private Limited	Accounts Payables	NA	0.24	0.24	
100	Sri Ajant Marketing Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
101	Matrix Fabs Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
102	Knight Engineers Contractors andConsultants Private Limited	Accounts Payables	NA	0.01	0.02	
103	Sharma Infrabuild Private Limited	Accounts Payables	NA	0.05	0.05	
104	Banjara Buildtech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
105	R Square E Service Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
106	Deepak Singh Chouhan Construction Private Limited	Accounts Payables	NA	0.01	0.01	
107	Rgk Infracon Private Limited	Accounts Payables	NA	0.05	0.05	
108	Paf Infrastructure Private Limited	Accounts Payables	NA	0.04	0.04	
109	CSP Constructions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
110	Touch Globe Electrical Consortium Private Limited	Accounts Payables	NA	0.02	0.02	
111	JBS Estcon Private Limited	Accounts Payables	NA	0.13	0.13	
112	Toptech Engineering Company Private Limited	Accounts Payables	NA	0.01	0.01	
113	Soul And Mind Concrete System Private Limited	Accounts Payables	NA	0.06	0.07	
114	Sunil Sagar Infracon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
115	S V Infraproperties Private Limited	Accounts Payables	NA	0.04	0.04	
116	Kissan Land Promoters Private Limited	Accounts Payables	NA	0.01	0.01	
117	Samrat Fabrication And Construction Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
118	Hoover Engineers Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
119	Triplex Builders Private Limited	Accounts Payables	NA	0.04	0.04
120	Dynastyraj Infrastructure Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
121	Shree Kranti Infracon Private Limited	Accounts Payables	NA	0.22	0.23
122	Hudor Projects India Private Limited	Accounts Payables	NA	0.04	0.04
123	Akashdeep Infratech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.01
124	Vidhatri Engineers Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
125	Shahid Engineers and Contractors Private Limited	Accounts Payables	NA	0.02	0.02
126	Zain Thermal Solutions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
127	Basebuild Developer Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
128	ER Infra Innovative Private Limited	Accounts Payables	NA	0.01	0.01
129	Ayurda Millennium Ventures Private Limited	Accounts Payables	NA	0.04	0.04
130	Essa Infrabuild Private Limited	Accounts Payables	NA	0.02	0.02
131	North India Infradevelopers and Consultants Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
132	Paradisegarden Infraproject Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.01
133	Sbh Shoring Systems Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
134	HSB Projects Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
135	G NXT Energy Private Limited	Accounts Payables	NA	0.01	0.01
136	Sristi Ventures Construction Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
137	Muskan Techno Engineering Construction Private Limited	Accounts Payables	NA	0.07	0.07
138	ADM Infracon India Private Limited	Accounts Payables	NA	0.01	0.01
139	RK Build Solutions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
140	Lanster Developer Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
141	HP Design Private Limited	Accounts Payables	NA	0.07	0.07
142	Akonn Infra Tech (India) Private Limited	Accounts Payables	NA	0.03	0.03
143	Set Sanayi Elektrik-Tesisat Taahhut Ve Ticaret India Private Limited	Accounts Payables	NA	0.02	0.02
144	SCE Global Steel And Facade Private Limited	Accounts Payables	NA	0.01	0.01
145	Alufascia Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
146	Suhashini Infra Engineering Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
147	Gogreen Facility Management Private Limited	Accounts Payables	NA	0.07	0.07
148	Antilia Facility Management Private Limited	Accounts Payables	NA	0.15	0.15

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [63]**

(b) Balances with Struck off Companies (contd.)

					₹ crore	
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024	
149	A K Infrsolutions Private Limited	Accounts Payables	NA	0.02	0.02	
150	Active Brain Infra Engg Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
151	Sahu Infrastructure Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
152	M D House Keeping Services Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
153	Sumera Builders and Developers Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
154	Avn Green Technologies Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
155	Sampada Infratech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
156	Shreeji Home Infra Private Limited	Accounts Payables	NA	0.03	0.03	
157	A 4 Infra Private Limited	Accounts Payables	NA	0.02	0.02	
158	Sublime Contractors Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
159	Auskini Infraqp Private Limited	Accounts Payables	NA	0.11	0.12	
160	Umansh Infracon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
161	Galaxy India Realtech Advisory Private Limited	Accounts Payables	NA	0.01	0.01	
162	Vissa Engineering Private Limited	Accounts Payables	NA	0.01	0.02	
163	Real Tech Engineering And Construction Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
164	Spectro Testing And Research Centre Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
165	Supreme Housekeeping Services Private Limited	Accounts Payables	NA	0.04	0.10	
166	Fairmans Construction Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
167	Alakshya Infracon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
168	Divaah Adya Facility Solutions (P) Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
169	SV Engineering And Contracting Services Private Limited	Accounts Payables	NA	0.03	0.03	
170	Roy Management And Information Technology Private Limited	Accounts Payables	NA	0.01	0.01	
171	Nexgen Transcom Private Limited	Accounts Payables	NA	0.04	0.04	
172	Care Infra Engineers Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>	
173	Nova Tools and Technologies Private Limited	Accounts Payables	NA	0.13	0.13	
174	White Vibes Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.19	
175	Shravani Environment Technology Private Limited	Accounts Payables	NA	0.03	0.03	
176	Global Engineering and Marketing Services Private Limited	Accounts Payables	NA	0.05	0.05	
177	Infinitypmc Private Limited	Accounts Payables	NA	0.01	0.01	
178	Aayansh Securities Systems Private Limited	Accounts Payables	NA	0.15	0.15	

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
179	Telmax Construction Private Limited	Accounts Payables	NA	0.02	0.02
180	Posorbis Infrastructure Private Limited	Accounts Payables	NA	0.01	0.02
181	Nirmal Aircon Private Limited	Accounts Payables	NA	0.01	0.01
182	Victra Constructions Private Limited	Accounts Payables	NA	0.01	0.01
183	Maurya Devbuild Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
184	S S D N Infratech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
185	Innovations Events And Entertainment Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
186	G-5 Construction Private Limited	Accounts Payables	NA	0.02	0.02
187	Nirmal Sai Construction Private.Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
188	DNE Infra Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
189	Cheyuta Infrasturcture Private Limited	Accounts Payables	NA	0.03	0.03
190	Mecvil Infracon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
191	Edgecon Engineering Projects Private Limited	Accounts Payables	NA	0.09	0.13
192	Kazmi And Sons Builders Private Limited	Accounts Payables	NA	0.07	0.07
193	Bramhands Infrastructure Private Limited	Accounts Payables	NA	0.01	0.01
194	Om Sai Project Developers And Engineers Private Limited	Accounts Payables	NA	0.05	0.05
195	Zafcon Engineering Private Limited	Accounts Payables	NA	0.03	0.03
196	Alias Management Marketing Private. Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
197	Bindra Evolutiion Enterprises Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
198	Sikar Trading And Contracting Private Limited	Accounts Payables	NA	0.04	0.04
199	Alpana Buildtech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
200	Sudha Rehabs And Hospitality Private Limited	Accounts Payables	NA	0.01	0.01
201	Vams Construction Private Limited	Accounts Payables	NA	0.13	0.13
202	Paramshiv Infra Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
203	Thakurai Engineering Private Limited	Accounts Payables	NA	0.15	0.15
204	Fundamental Infratech Private Limited	Accounts Payables	NA	0.01	0.01
205	New Proponent Security Services Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
206	Honeyed Engineering Private Limited Opc	Accounts Payables	NA	0.04	0.04
207	Kiwi Projects Private Limited	Accounts Payables	NA	0.01	0.03
208	Kishley Constructions Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
209	Csk Engineering And Construction Private Limited	Accounts Payables	NA	0.02	0.02

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [63]**

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
210	Ramakrishna Power Tech Private Limited	Accounts Payables	NA	0.29	0.33
211	Siyaram Construction Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
212	Ifensys Software Solutions Private Limited	Accounts Payables	NA	0.01	0.01
213	Narshimha Buildtech Private Limited	Accounts Payables	NA	0.03	0.03
214	Parim Infocomm Private.Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
215	Scotnix Solution Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
216	Msp Develco Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.01
217	Harhar Mahadev Infra Developer Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
218	Expeditive Infotech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
219	Aahsin India Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.02
220	Sukita Security And Services Private Limited	Accounts Payables	NA	0.01	0.01
221	Dv Procon Private Limited	Accounts Payables	NA	0.01	0.01
222	Indco Engineers andContractors Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
223	Leadleap Engineers Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
224	Creo Projects Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
225	Abhiraksha Constructions Private Limited	Accounts Payables	NA	0.03	0.03
226	Film Online Services Private.Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
227	Sri Abs Lakshn Projects Private Limited	Accounts Payables	NA	0.03	0.03
228	Veekay Engineering India Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
229	Dhanamjay Infra Private Limited	Accounts Payables	NA	0.01	0.01
230	Blueman Construction Projects Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
231	Opti Tech Infra Projects India Opc Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
232	Nap Energy And Infratech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
233	Jps Engineering Private Limited	Accounts Payables	NA	0.04	0.06
234	M/S Ganga Mechanical Works Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
235	Savitri Infrastrcuture Private Limited	Accounts Payables	NA	0.02	0.02
236	Trunk Facility Management Services Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
237	Riccardo Readymixs And Infra Projects Private Limited	Accounts Payables	NA	0.01	0.01
238	Shreya Infra Venture Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
239	Faithful Creator Infra Private Limited	Accounts Payables	NA	0.01	0.01

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
240	Lakshman Singh Construction Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
241	Realsharp Infraatech Services Private Limited	Accounts Payables	NA	0.01	0.01
242	Ashok Balyan Infra Project Private Limited	Accounts Payables	NA	0.01	0.01
243	Pinak Security andManagement Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
244	Infisoft India Technology Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
245	Ace Offshore And Engineering Private Limited	Accounts Payables	NA	0.01	0.01
246	Farhad Interior And Exterior Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
247	Dipl Construction Private Limited	Accounts Payables	NA	0.10	0.10
248	Aadhiraj Projects Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
249	Manha Earthcon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
250	Bulsar Construction And Consulting Opc Private Limited	Accounts Payables	NA	0.07	0.07
251	Acrp Infracon Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
252	Devine Devbuild Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
253	Maxx Ultra Conchem Opc Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
254	Tmmindustries Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
255	Vee Gee Yem Engineers India Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
256	Mudra Security Services Private Limited	Accounts Payables	NA	0.03	0.03
257	Dynamic Enpro Limited	Accounts Payables	NA	0.01	0.01
258	Star Wire (India) Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.02
259	Lcz Infrastructure Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
260	D.B.Constructions Private Limited	Accounts Payables	NA	0.28	0.28
261	Genius Security Services P Limited	Accounts Payables	NA	0.01	0.01
262	Maa Shakti Power Transmission Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
263	Geo Engineering India Private Limited	Accounts Payables	NA	0.33	0.30
264	Shakthi Marketing Private Limited	Accounts Payables	NA	0.01	0.01
265	Mangalam Consultancy Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
266	Pioneer Tech Engineering Services Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
267	Atlantic Works Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
268	Kripa S&S Infrastructure Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
269	Ultra-Tech Concretes Works Private. Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>



## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [63]**

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
270	Compro Engineers Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
271	Winco Infrastructure Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
272	Imperium Infratech Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	0.05
273	Aura Metlab Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
274	Netcomonline Solutions India Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
275	Ms Metallization Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
276	Mecavo (R&D) Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	—
277	Peass Infra Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
278	Swadeshi Buildtrade Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
279	Swadesh Energy Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
280	Amaravati Rcc Pipes India Private Limited	Accounts Payables	NA	0.01	0.02
281	Elena Management andServices Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
282	Stock And Flow Projects Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
283	Techcon Chemicals Private Limited	Accounts Payables	NA	0.36	0.08
284	Walls Infra Solution Private Limited	Accounts Payables	NA	0.01	0.01
285	Geo Engineering Company Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
286	INL Intech India Automation (P) Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
287	Inox India Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
288	P S Steel Tubes Private Limited	Accounts Payables	NA	0.03	0.41
289	Rbc Bearings Private Limited	Accounts Payables	NA	0.02	— <sup>(1)</sup>
290	Vankeshwar Hydro Expressways Laines Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
291	Siddhu Shubham Infra Developer Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
292	Earth Paradise Infratech Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
293	Handa Infrastructure Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
294	CMCS Collaboration Management And Control Solutions India Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
295	Celem Constructions Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
296	Sssc Projects Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
297	Vitika Global Enterprises Private Limited	Accounts Payables	NA	—	0.05
298	Archsys Consultancy Services Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
299	Singham Contractors Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
300	Mepson Engitech Private Limited	Accounts Payables	NA	—	0.01
301	Garren Labs Private Limited	Accounts Payables	NA	—	0.01
302	Dynamic Eltech Private Limited	Accounts Payables	NA	—	0.02

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
303	Sahi Builders And Promoters Private Limited	Accounts Payables	NA	—	0.01
304	Z Plus Builders And Developers Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
305	Jangra Supertech Construction (Opc) Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
306	Per Square Feet Technocrats Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
307	Devnandhini Construction Private Limited	Accounts Payables	NA	—	—
308	Brahmos Infrastructure Private Limited	Accounts Payables	NA	—	0.02
309	Johny Infrastructure Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
310	Chitransh Solution Services Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
311	Fabhomz Interiors Private Limited	Accounts Payables	NA	—	0.03
312	Ravi Murthy Interiors Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
313	Mass Ventures Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
314	Svardhan Engineering And Construction Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
315	Quansys Tech Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
316	Mandaxa Resources Management Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
317	Orsang Infotech Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
318	Zippy Facility Management and Services Private Limited	Accounts Payables	NA	—	0.01
319	Perfect Office Systems Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
320	Lucky Marketing Company Private Limited	Accounts Payables	NA	—	0.01
321	Ocean King Construction Private Limited	Accounts Payables	NA	—	0.04
322	Jain Suppliers Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
323	Purma Plast Private Limited	Accounts Payables	NA	—	—
324	CMI Limited	Accounts Payables	NA	—	—
325	Trimaax Technologies Private Limited	Accounts Payables	NA	—	— <sup>(1)</sup>
326	Powerline Product Private Limited	Accounts Payables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
Total Accounts Payable (A)				8.03	9.16
1	NCR Aggregate Solutions Private Limited	Advance Given to	NA	1.79	1.79
Total Advance Given (B)				1.79	1.79
1	Icon Engineers Private Limited	Accounts Receivables	NA	—	—
2	Great Eastern Trading Co Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
3	Star Wire (India) Limited	Accounts Receivables	NA	—	—

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [63]**

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
4	Pranavam Constructions Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
5	The Rubber Products Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
6	Gen Contours Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
7	Abc Fire Security Systems Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
8	Vankeshwar Hydro Expressways Laines Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	—
9	Unique Fabricators and Erectors Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
10	Si Mallik Infrastructure Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
11	Siddhu Shubham Infra Developer Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	—
12	Dimensions India Private Limited	Accounts Receivables	NA	0.02	0.02
13	Lavendon Access Services India Private Limited	Accounts Receivables	NA	0.01	0.01
14	Firewall Security Solutions Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
15	Raxxmo Networks Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
16	Laxmi Infra Eng Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
17	Pravalika Infra Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
18	Earth Paradise Infratech Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	—
19	Sai Ashray Infratech Private Limited	Accounts Receivables	NA	0.01	0.01
20	Angelina Infratech Private Limited	Accounts Receivables	NA	0.01	0.01
21	Aargee Contracts Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
22	Bhagwati Prasad Agarwalla Engineering Works Private Limited	Accounts Receivables	NA	0.18	—
23	Handa Infrastructure Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	—
24	Rpnr Concrete Solutions Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
25	Cmcs Collaboration Management And Control Solutions India Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	—
26	Mas Teltech Solutions Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
27	Calorifique Renewable Energie India Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
28	Igniva Engineering Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
29	Prameela Granites And Marbles Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
30	Marvel Technicals Sales And Service Prive Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
31	Ktek Level Engg Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
32	Janatha Readymix Concrete India Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
33	Venus Fittings And Valves Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
34	Texsa India Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
35	Tumbi Office Systems Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
36	Threess Innovative Tech India Private. Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
37	Mars Dsp Waves Private Limited	Accounts Receivables	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
	Total Accounts Receivables (C)			0.23	0.05
1	Akarsh Portfolio Services Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
2	Alley Fisheries Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
3	Dr Sabharwals Manufacturing Labs Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
4	Demuric Holdings Private Limited	L&T 's shareholder	NA	—	— <sup>(1)</sup>
5	Dhamankar Investments Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
6	Exponential Financial Services Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
7	Meenakshi (India) Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	—
8	Siddha Papers Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
9	Shivalik Kinema Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
10	Satidham Industries Private.Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	—
11	Upgrade Management Ser Private Limited	L&T 's shareholder	NA	—	— <sup>(1)</sup>
12	Vms Consultants Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
13	Wizard Insurance Services Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
14	Yogesh Investment Private.Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
15	Aloke Speciality Machines And Components Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
16	Agencies Rajasthan Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	—
17	Amersey Brothers Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
18	Haji Malang Baba Infrastructure Limited	L&T 's shareholder	NA	—	— <sup>(1)</sup>
19	Jivdani Infrastructure Limited	L&T 's shareholder	NA	—	— <sup>(1)</sup>
20	Omni Market Research Services Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
21	Thakorlal Hiralal Exports Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	—
22	Victor Properties Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
23	Voyager 2 Infotech Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
24	Ayesha Investments Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
25	Fairtrade Securities Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
26	Good Team Investment And Trading Co Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	—

## Notes forming part of the Standalone Financial Statements (contd.)

**NOTE [63]**

(b) Balances with Struck off Companies (contd.)

					₹ crore
S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
27	J M Lifestyle Interior Projects Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	—
28	Kothari Intergroup Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
29	Jabac Consultancies Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
30	Alike Trading Private. Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
31	Avni Financial Advisors Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
32	Nide India Private Limited	L&T 's shareholder	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
33	Satvik Financial Services Limited	L&T 's shareholder	NA	—	— <sup>(1)</sup>
34	Safna Consultancy Private Limited	L&T 's shareholder	NA	—	— <sup>(1)</sup>
Total equity shares held (D)				— <sup>(1)</sup>	— <sup>(1)</sup>
1	Akarsh Portfolio Services Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
2	Alley Fisheries Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
3	Dr Sabharwals Manufacturing Labs Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	—
4	Demuric Holdings Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
5	Dhamankar Investments Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
6	Exponential Financial Services Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
7	Meenakshi (India) Limited	Dividend Payable	NA	—	—
8	Siddha Papers Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
9	Shivalik Kinema Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
10	Satidham Industries Private.Limited	Dividend Payable	NA	— <sup>(1)</sup>	—
11	Upgrade Management Ser Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
12	Vms Consultants Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
13	Wizard Insurance Services Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
14	Yogesh Investment Private.Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
15	Aloke Speciality Machines And Components Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
16	Agencies Rajasthan Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
17	Amersey Brothers Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
18	Haji Malang Baba Infrastructure Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
19	Jivdani Infrastructure Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
20	Omni Market Research Services Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
21	Thakorlal Hiralal Exports Private Limited	Dividend Payable	NA	—	—
22	Victor Properties Private Limited	Dividend Payable	NA	0.02	0.02
23	Voyager 2 Infotech Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
24	Ayesha Investments Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>

## Notes forming part of the Standalone Financial Statements (contd.)

### NOTE [63]

(b) Balances with Struck off Companies (contd.)

₹ crore

S. No.	Name of the Struck off Company	Nature of Transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
25	Fairtrade Securities Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
26	Good Team Investment And Trading Co Private Limited	Dividend Payable	NA	—	—
27	J M Lifestyle Interior Projects Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	—
28	Kothari Intergroup Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
29	Jabac Consultancies Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
30	Alike Trading Private. Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
31	Avni Financial Advisors Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
32	Nide India Private Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
33	Satvik Financial Services Limited	Dividend Payable	NA	— <sup>(1)</sup>	— <sup>(1)</sup>
34	Safna Consultancy Private Limited	Dividend Payable	NA	—	— <sup>(1)</sup>
Total dividend payable (E)				0.02	0.02
Grand Total (A+B+C+D+E)				10.07	11.02

<sup>(1)</sup> Less than ₹ 1 Lakhs.

- c) i. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- ii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

### NOTE [64]

Figures for the previous year have been regrouped/reclassified to conform to the figures of the current year.

# **Saving for a better future, powers joy.**

At L&T, our green energy solutions are helping clients,  
communities and the country access  
cleaner power with minimum wastage.

Helping build happier, brighter tomorrows.





# **Consolidated Financial Statements**



# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF LARSEN & TOUBRO LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Larsen & Toubro Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which includes 33 joint operations of Group accounted on proportionate basis and Group's share of loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statement of the joint operations, subsidiaries, associates and joint ventures referred to in the "Other Matters" section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates and joint ventures as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the 'Other Matters' section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Principal Audit Procedures
1.	<p><b>Revenue recognition – accounting for construction contracts:</b></p> <p>There are significant accounting judgements in estimating revenue to be recognised on contracts with customers, including estimation of costs to complete. The Group recognises revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract.</p> <p>Significant judgements are involved in determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Group, arising within each contract. These contingencies are reviewed by the Group's Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (change orders and claims). Variable consideration is recognised when the recovery of such consideration is highly probable based on company's contractual rights and /or a legal assessment.</p>	<p>Our audit procedures related to the</p> <ol style="list-style-type: none"> <li>(1) identification of distinct performance obligations,</li> <li>(2) evaluation of the process for estimation of costs to complete,</li> <li>(3) evaluation of implications of change orders on costs estimates of costs to complete and revenue and</li> <li>(4) evaluation of any variable consideration, included the following, amongst others:</li> </ol> <p>We tested the design, implementation and operating effectiveness of internal financial controls relating to the:</p> <ol style="list-style-type: none"> <li>(a) evaluation of performance obligations and identification of those that are distinct.</li> <li>(b) estimation of costs to complete each of the performance obligations including the cost contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders.</li> <li>(c) the impact of change orders on the transaction price of the related contracts; and</li> <li>(d) evaluation of the impact of variable consideration on the transaction price.</li> </ol>

Sr. No.	Key Audit Matter	Principal Audit Procedures
	Refer to Note No. [1](II)(i) and 34 to the Consolidated Financial Statements	<p>We selected a sample of contracts with customers and performed the following procedures:</p> <ol style="list-style-type: none"> <li>Obtained and read contract documents for each selection, change orders, and other documents that were part of the agreement.</li> <li>Identified significant terms and deliverables in the contract to assess management's conclusions regarding the               <ol style="list-style-type: none"> <li>identification of distinct performance obligations.</li> <li>changes to costs to complete as work progresses and as a consequence of change orders.</li> <li>the impact of change orders on the transaction price; and</li> <li>the evaluation of the adjustment to the transaction price on account of variable consideration.</li> </ol> </li> <li>Compared costs incurred with group's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.</li> <li>Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation.</li> </ol> <p>We read and verified the presentation and disclosure in the financial statements are in accordance with applicable accounting standards.</p>
2.	<p><b>Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices:</b></p> <p>The Group, in its contract with customers, promises to transfer distinct services to its customers, which may be rendered in the form of engineering, procurement, and construction ("EPC") services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could be based on agreed unit price or lump-sum revenue arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Group's performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, including in the case of certain Defence contracts, where the audit evidences of customer contracts, work carried out and cost incurred are restricted due to confidentiality arrangements and secrecy commitments made to the Ministry of Defence under the Official Secrets Act, 1923, involves a significant judgement. Assessing the recoverability of contract assets related to overdue milestones and amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period and the recognition of provision for expected credit loss involves a significant judgment.</p> <p>Refer to Note No. [1](II)(i), [1](II)(r), 13 and 19 to the Consolidated Financial Statements.</p>	<p>Our audit procedures related to the</p> <ol style="list-style-type: none"> <li>evaluation of evidence supporting the execution of work;</li> <li>evaluation of recoverability of the overdue amounts including the impact on the expected credit loss allowance; and</li> <li>assessment of adjusting events after the reporting date i.e. March 31, 2025, and the date when the financial statements are approved by the Parent's Board of Directors, included the following, amongst others:         <ul style="list-style-type: none"> <li>We tested the design, implementation and operating effectiveness of internal financial controls relating to the:             <ol style="list-style-type: none"> <li>gathering and evaluation of evidence supporting the execution of work.</li> <li>evaluation of recoverability of the overdue amounts including the impact on the expected credit loss allowance; and</li> <li>assessment of adjusting events after the reporting date i.e. March 31, 2025, and the date when the financial statements are approved by the Parent's Board of Directors and the impact thereof on the carrying amount of the related contract assets, measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices.</li> </ol> </li> <li>We selected a sample of contracts for testing contract asset balances and overdue trade receivables and evaluated the basis for management's conclusions regarding the             <ol style="list-style-type: none"> <li>evidence supporting the execution of work for which the contract assets were recognised.</li> <li>reasons for the delays in recovery of invoices and the basis on which recoverability of the contract assets was assessed;</li> </ol> </li> </ul> </li> </ol>

Sr. No.	Key Audit Matter	Principal Audit Procedures
		<ul style="list-style-type: none"> <li>(3) impact on the allowance for expected credit losses; and</li> <li>(4) adjusting events after the reporting date i.e. March 31, 2025, and the date when the financial statements are approved by the Parent's Board of Directors and the impact thereof on the carrying amount of the related contract assets.</li> <li>• In respect of the sample contracts, we compared previous estimates relating to billing of contract assets and recoverability of overdue trade receivable with actual billing and collections during the year.</li> <li>• In case of certain Defence contracts, (a) performed alternative procedures over progressive billing and collections from customer and (b) obtained specific management representation and also direct confirmation from the customer with respect to confidentiality restrictions.</li> <li>• Read and tested the presentation and disclosure in the financial statements are in accordance with applicable accounting standards.</li> </ul>
3.	<p><b>Impairment on Assets – Metro Rail Cash Generating Unit :</b></p> <p>As per the requirements of Ind AS 36, the Group assesses at the end of every reporting period, whether there is any indication that cash generating unit (CGU) may be impaired. If any such indication exists, the Group estimates the recoverable amount of the CGU. The determination of recoverable amount being value-in-use involves significant estimates, assumptions and judgements of the long-term financial projections.</p> <p>The Group is carrying Intangible asset, Property Plant &amp; Equipment and Investment property relating to Metro Rail CGU (comprising of Hyderabad Metro operations). During the year, as the indication exists, the Group has reassessed its impairment assessment with respect to the above CGU. Impairment of assets is a key audit matter considering the significance of the carrying value, estimations and the significant judgement involved in impairment assessment.</p> <p>Refer to Note [1](II)(o), 2 and 5 to the Consolidated Financial Statements</p>	<p>Our audit procedures related to forecasts of future traffic, revenue, free cash flows generated, selection of the method for estimating recoverable value and discount rate for the entity:</p> <ul style="list-style-type: none"> <li>• We tested the effectiveness of controls over forecasts of future traffic, revenue, free cash flows and selection of the discount rate;</li> <li>• We evaluated the reasons for variation between the Management's previous estimate of traffic, revenue and cash flow forecasts and obtained our understanding of the manner in which revised forecasts were obtained;</li> <li>• With the assistance of our valuation specialists who have necessary skill and knowledge, we evaluated the reasonableness of the methodology and assumptions used by testing the source information underlying the determination of the such assumptions and mathematical accuracy of the calculations; and</li> <li>• We performed sensitivity analysis of the discount rate to assess the extent of change in discount rate that would be required for the investment to be impaired.</li> </ul>
4.	<p><b>Revenue recognition - Fixed price contracts using the percentage of completion method in respect of IT Segment – LTIMindtree Limited ("the Company")</b></p> <p>Revenue from fixed price contracts including software development and system integration contracts is recognized using a percentage of completion method. Use of the percentage of completion method requires the Company to determine the actual costs expended to date as a proportion of the estimated total costs to be incurred. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.</p>	<p>The components' auditors (being other firms of chartered accountants) have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Tested the effectiveness of controls relating to: <ul style="list-style-type: none"> <li>i. recording of costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations; and</li> <li>ii. access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred.</li> </ul> </li> </ul>

Sr. No.	Key Audit Matter	Principal Audit Procedures
	<p>Revenue recognition of fixed price contracts where the percentage of completion is identified as Key Audit Matter since –</p> <ul style="list-style-type: none"> <li>High inherent risk around accuracy of revenue, given the customized and complex nature of these contracts.</li> <li>High inherent uncertainty and requires consideration of progress of the contract, costs incurred to-date and estimates of costs required to complete the remaining contract performance obligations over the term of the contract.</li> <li>At year-end, significant amount of work in progress (Unbilled revenue), related to these contracts is recognized on the balance sheet.</li> </ul> <p>This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit effort to evaluate the reasonableness of the total estimated amount of revenue and unbilled revenue recognized on these fixed-price contracts.</p> <p>Refer to Note No. [1](II)(i) and 34 to the Consolidated Financial Statements</p>	<ul style="list-style-type: none"> <li>Selected a sample of fixed price contracts with customers measured using the percentage-of-completion method and performed the following: <ul style="list-style-type: none"> <li>Read the contract and based on the terms and conditions evaluated whether recognizing revenue over time using percentage of completion method was appropriate, and the contract was included in Management's calculation of revenue over time;</li> <li>Compared costs incurred with Company's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract.</li> <li>Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.</li> </ul> </li> </ul>
5.	<p><b>Revenue recognition- Fixed price contracts in respect of technology services segment – L&amp;T Technology Services Limited ("the Company")</b></p> <p>The Company engages in fixed price contracts with its customers wherein revenue from such contracts are recognized over time. The Company uses input method to recognise revenue, as it represents efforts expended towards satisfying a performance obligation relative to the total expected efforts or inputs to satisfy the performance obligation.</p> <p>This involves computation of actual cost incurred and estimation of total cost on each contract to measure progress towards completion.</p> <p>Amount of revenue recognition in respect of fixed price contracts has been identified as a Key Audit Matter considering that:</p> <ul style="list-style-type: none"> <li>these contracts involve identification of actual cost incurred on each contract;</li> <li>these contracts require estimation of future cost for completion of each contract; and</li> <li>at the period end a significant amount of contract assets (unbilled revenue) or contract liabilities (unearned revenue) related to each contract is to be identified.</li> </ul> <p>Refer to Note [1](II)(i) and 34 to the Consolidated Financial Statements.</p>	<p>The component's auditors have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the systems, processes and controls implemented by the Company with respect to recognition of actual cost incurred on each contract, estimation of future cost to completion, measurement of unbilled revenue, unearned revenue and the total contract revenue on its completion;</li> <li>Involved Information technology ('IT') specialists to assess the design and operating effectiveness of the key IT controls relating to revenue recognition and in particular; <ul style="list-style-type: none"> <li>Assessed the IT environment in which the business systems operate and tested system controls over computation of revenue recognised;</li> <li>Tested the IT controls over appropriateness of cost and revenue reports generated by the system;</li> <li>Assessed the appropriateness of actual cost incurred on contracts including the testing of the IT general controls and specific IT application controls over information systems used for capturing these costs; and</li> <li>Tested the controls pertaining to allocation of resources and budgeting systems which prevent the unauthorized recording/changes to costs incurred on sample basis.</li> </ul> </li> <li>Verified on test check basis that the revenue recognized is in accordance with the applicable Indian Accounting Standard, including: <ul style="list-style-type: none"> <li>Verification of the underlying agreements and other forms of supporting documentation to ensure that each party's rights and obligations regarding the goods or services to be transferred and payment terms are identified and contracts have commercial substance;</li> </ul> </li> </ul>

Sr. No.	Key Audit Matter	Principal Audit Procedures
		<ul style="list-style-type: none"> <li>ii. Inspection of the underlying agreements and other forms of supporting documentation to ensure that various performance obligations within a contract have been properly identified by Management;</li> <li>iii. Inspection of the underlying agreements and other forms of supporting documentation to ensure that transaction price has been properly determined and allocated to relevant performance obligations on an appropriate basis; and</li> <li>iv. Verification of the Company's computation of revenue to be recognized over a period of time on a sample basis, where the component's auditors have performed the following; <ul style="list-style-type: none"> <li>a) Verified Management's process relating to the estimation of contract costs required to complete the respective projects and assessed that the estimates of costs to complete were reviewed and approved by appropriate designated Management personnel and are appropriate;</li> <li>b) Verified the reasonableness of Management's estimation of cost projections by comparing actual cost incurred with Management initial/updated estimation of total cost for that project;</li> <li>c) Recomputed the amount of revenue recognised on these contracts and compared the same with the actual revenue recorded;</li> <li>d) Assessed the appropriateness of work in progress (contract assets and contract liabilities) as at the balance sheet date by evaluating the underlying documentation to identify possible delays in achieving milestones which require changes in estimated costs to complete the remaining performance obligations; and</li> </ul> </li> <li>• Assessed the adequacy and appropriateness of disclosures made in the financial statements in compliance with applicable Indian Accounting Standards and applicable financial reporting framework.</li> </ul>
6.	<p><b>Allowance for Expected Credit Loss on Retail Loan Assets in respect of Financial Services segment – L&amp;T Finance Limited ("the Company")</b></p> <p>Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loans carried at amortized cost is a critical estimate involving greater level of management judgement.</p> <p>As part of their risk assessment, the component auditors (being other firm of Chartered Accountants) determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the standalone financial statements. The significant assumptions that they focused in their audit included those with greater levels of management judgement and for which variations had the most significant impact on ECL.</p>	<p>The component's auditors (being other firm of chartered accountants) have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Reviewed the Board Approved Policy and procedures &amp; associates design/controls and expected credit loss memo concerning the assessment of credit and other risks.</li> <li>• Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions.</li> <li>• Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (including those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information.</li> </ul>

Sr. No.	Key Audit Matter	Principal Audit Procedures
	<p>The key areas where they identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: Each borrower is classified into Stage 1, 2, 3 based on the objective criteria of Day Past Due (DPD) status as of the reporting date and other loss indicators, as applicable. Such classification by borrower is done across all facilities provided to the borrower, i.e., maximum of the DPDs from among the different facilities ["Max DPD"] provided to that borrower. Inherently, significant judgment is involved in the use of models to estimate ECL which includes determining Exposures at Default ("EAD"), Probabilities of Default ("PD") and Loss Given Default ("LGD"). The PD and the LGD are the key drivers of estimation complexity and as a result are considered the most significant judgments in the Company's modelling approach.</p> <p>The modelling methodologies used to estimate ECL are developed using historical experience. The impact of the prevailing macroeconomic conditions has also resulted in certain limitations in the reliability of these methodologies to forecast the extent and timing of future customer defaults or potential credit risks and therefore in estimates of ECL. In addition, modelling methodologies do not necessarily incorporate all factors that are relevant to estimating ECL, such as differentiating the impact on industry sectors and economic conditions. These limitations are attempted to be addressed with management overlay, the measurement of which is inherently judgemental and subject to a high level of estimation uncertainty. Accordingly, the Allowance for Expected Credit Loss on Retail Loan Assets has been determined as Key Audit Matter because it requires a high degree of judgement and estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>Refer to Note [1](II)(r)(i)(D) and 7 to the Consolidated Financial Statements</p>	<ul style="list-style-type: none"> <li>Evaluated the appropriateness of the Company's determination of Significant Increase in Credit Risk ("SICR") in accordance with the applicable accounting standard and the basis for classification of various exposures into various stages.</li> </ul> <p>Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights and computation of probability of default and loss given default percentages.</p> <ul style="list-style-type: none"> <li>Reviewed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the movement between stages, Exposure at default, (EAD), probability of default (PD) or loss given default (LGD).</li> <li>Involved Information system resource to obtain comfort over data integrity and process of report generation through interface of various information systems.</li> <li>Tested controls placed over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied as detailed below:             <ol style="list-style-type: none"> <li>verified the completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors.</li> <li>checked the appropriateness of information used in the estimation of the Probability of Default ("PD") and Loss given Default ("LGD") for the different stages depending on the nature of the portfolio reconciled the total retail considered for ECL assessment with the books of accounts to ensure the completeness.</li> <li>performed test of details over model calculations testing through re-performance, where possible.</li> <li>tested appropriateness of staging of borrowers based on DPD and other loss indicators.</li> <li>tested the factual accuracy of information such as period of default and other related information used in estimating the PD.</li> <li>evaluated the reasonableness of applicable assumptions included in LGD computation.</li> <li>evaluated the methodology used to determine macroeconomic overlays and adjustments to the output of the ECL model.</li> </ol> </li> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Financial Statements are appropriate and sufficient.</li> <li>Verified the manner of preparation of information w.r.t. to provisions and disclosures in the Financial Statements.</li> <li>Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable.</li> </ul>



Sr. No.	Key Audit Matter	Principal Audit Procedures
7.	<p><b>Information Technology ("IT") Systems and Controls in respect of Financial Services segment – L&amp;T Finance Limited ("the Company")</b></p> <p>The Company has a complex IT architecture to support its day-to-day business operations. High volume of transactions are processed and recorded on single or multiple applications. The reliability and security of IT systems plays a key role in the business operations of the Company. Since large volume of transactions are processed daily, IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. Component auditor identified 'IT systems and controls' as a key audit matter because of the high-level automation, significant number of systems being used by the Management and the complexity of the IT architecture and its impact on the financial reporting system.</p>	<p>The component's auditors (being other firms of chartered accountants) have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>Involved IT specialists as part of the audit for the purpose of testing the IT general controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the Company's IT systems;</li> <li>With respect to the "In-scope IT systems" identified as relevant to the audit of the financial statements and financial reporting process of the Company, evaluated and tested relevant IT general controls;</li> </ul> <p>On such "In-scope IT systems" performed the following procedures:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of IT applications landscape implemented by the Company, including an understanding of the process, mapping of applications and understanding financial risks posed by people-process and technology;</li> <li>Tested design and operating effectiveness of key controls over user access Management (including user access provisioning, de-provisioning, user access review, password configuration review and privilege access), change Management (including compliance of change release in production environment to the defined procedures), program development (including review of data migration activity), computer operations (including testing of key controls pertaining to, backup, batch processing, incident. Management and data centre security. Also tested entity level controls pertaining to IT policy and procedure and business continuity plan assessment; and</li> <li>Tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over the financial reporting system.</li> </ol>

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the joint operations, subsidiaries, joint ventures and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the joint operations, subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint ventures in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act.

The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application

of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management and Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures of each Company.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statement of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

- (a) We did not audit the financial information of 31 joint operations included in the standalone financial statements of the companies included in the Group whose financial information reflect total assets of ₹ 3,906.01 crore as at March 31, 2025, total revenue of ₹ 3,440.77 crore and net cash flow amounting to ₹ 134.81 crore for the year ended March 31, 2025, as considered in the respective standalone financial information of the companies included in the Group. The financial information of these joint operations have been audited by the other auditors whose reports have been furnished to us by the Parent management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operations is based solely on the report of such other auditors.
- (b) We did not audit the financial information of 54 subsidiaries, whose financial information reflect total assets of ₹ 1,95,580.97 crore as at March 31, 2025, total revenues of ₹ 74,309.97 crore and net cash flows amounting to ₹ 24.37 crore for the year ended March 31, 2025, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax of ₹ 7.15 crore for the year ended March 31, 2025, and total comprehensive income (net) of ₹ 7.25 crore for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of 2 associates and 6 joint ventures, whose financial information have not been audited by us. These financial information have been audited by other auditors whose reports have been furnished to us by the Parent's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.
- (c) The audited consolidated financial information of a subsidiary included in the consolidated audited financial Statement of the Group, whose audited consolidated financial information reflects total assets of ₹ 32,301.40 crore as at March 31, 2025, total revenues of ₹ 40,640.60 crore and net cash flows of ₹ 240.32 crore for the year ended March 31, 2025, as considered in the consolidated financial statement, has been audited by one of the joint auditors, whose report has been furnished to us by the Parent's Management and our conclusion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other Joint auditor.
- (d) The audited financial information of 2 subsidiaries included in the consolidated audited financial statement of the Group, whose audited financial information reflects total assets of ₹ 8,961.06 crore as at March 31, 2025, total revenues of ₹ 9,580.69 crore and net cashflow of ₹ 179.33 crore for the year ended March 31, 2025, as considered in the consolidated financial statement, has been audited by one of the joint auditors, whose report has been furnished to us by the Parent's Management and our conclusion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other Joint auditor.
- (e) We did not audit the financial information of 16 subsidiaries, whose financial information reflects total assets of ₹ 356.25 crore as at March 31, 2025, total revenues of ₹ 294.67 crore and net cash flows amounting to ₹ 140.12 crore for the year March 31, 2025, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of loss after tax of ₹ (28.54) crore and total comprehensive loss (net) of ₹ (27.08) crore for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of 4 associates and 3 joint ventures, whose financial information has not been audited by their respective auditors. These aforesaid financial information is unaudited and has been furnished to us by the Parent's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, the aforesaid financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

- (f) The consolidated audited financial Statement of the Company for the year ended March 31, 2024, were audited by Deloitte Haskins & Sells LLP, one of the joint auditors of the Parent, whose report dated May 8, 2024, expressed an unmodified opinion on those consolidated audited financial Statement.

Our opinion on the consolidated financial statements above is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the joint operations, subsidiaries, associates and joint ventures referred to in the "Other Matters" section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2025 taken on record by the Management and Board of Directors of the Parent and the reports of the statutory auditors of its joint operation companies, subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India are disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group, its associate companies and joint ventures and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies, associate companies and joint venture companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies, associate companies and joint venture companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act and the rules thereunder.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures - Refer Note 32 to the Consolidated Financial Statements;
    - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India except in case of a subsidiary (Intelliswift Software (India) Private Limited acquired on January 03, 2025) there is an outstanding balance of ₹ 0.004 crore which is required to be transferred to the Investor Education and Protection Fund and the same remains unpaid as at the date of the report. This subsidiary is considered not material to the consolidated financial statements of the Group
    - iv) (a) The respective Managements of the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, associates and joint ventures to or in any other

person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries, associates and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, associates and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v)
    - a) The final dividend proposed in the previous year, declared and paid by the Parent, subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.
    - b) The interim dividend declared and paid by the subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in compliance with section 123 of the Act, as applicable.
    - c) The Board of Directors of the Parent, subsidiaries, associate and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent, subsidiaries, associate and joint ventures at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
  - vi) Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies, associate companies joint venture companies incorporated in India whose financial statements have been audited under the Act, except for instances mentioned below, the Parent, its subsidiary companies, associate companies and joint venture companies incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended 31st March 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Parent and above referred subsidiary companies, associate companies and joint venture companies incorporated in India as per the statutory requirements for record retention.
    - In respect of one subsidiary the component auditor was unable to comment whether the accounting software has a feature of recording audit trail (edit log) facility and whether the same has operated throughout the year for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with. Additionally, the auditor was unable to comment whether the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention. This subsidiary was acquired during the year and is considered not material to the consolidated financial statements of the Group.
    - In respect of one subsidiary, audit trail (edit logs) for direct changes made at the database level, if any, were not enabled. Management has informed the component auditor that an alternate tool is being used to monitor such database-level changes, however the log of same is not preserved in accordance with statutory requirements for record retention.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the

consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following

Name of the Company	CIN	Nature of relationship	Clause number of the CARO report which is qualified or adverse*
Larsen and Toubro Limited	L99999MH1946PLC004768	Parent	Clause iii (c) and (e)
L&T Special Steels and Heavy Forgings Private Limited	U27109MH2009PTC193699	Subsidiary	Clause ix(a)
Intelliswift Software (India) Private Limited	U72200GJ2002PTC041725	Subsidiary	Clause ii (b) and iv

\*Refer to Note No. 63(a) to the Consolidated Financial Statements

**For M S K A & Associates**

Chartered Accountants  
(Firm's Regn. No -105047W)

**Vishal Vilas Divadkar**

Partner  
(Membership No. 118247)  
UDIN 25118247BMOXWN2732

Place: Mumbai  
Date: May 8, 2025

**For Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Regn. No -117366W/W - 100018)

**Rupen K Bhatt**

Partner  
(Membership No. 046930)  
UDIN 25046930BMODQV5268

Place: Mumbai  
Date: May 8, 2025

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph "(f)" under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of LARSEN & TOUBRO LIMITED (hereinafter referred to as "Parent") and its subsidiary companies which includes one of the Group's 33 joint operations which is a company incorporated in India, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, its associate companies and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing ("SA"), prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, joint operation, associate companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, its joint operation, its associate companies and its joint ventures, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, its joint operation, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial controls with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 34 subsidiary companies, 1 joint operation company, 6 joint ventures and 2 associates, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 1 subsidiary company, 1 joint venture company and 1 associate company, which are companies incorporated in India, whose financial information is unaudited and whose efficacy of internal financial controls with reference to consolidated financial statements is based solely on the Management's certification provided to us and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Group is not affected as the financial information of such entities is not material to the Group.

Our opinion is not modified in respect of the above matters.

**For M S K A & Associates**

Chartered Accountants  
(Firm's Regn. No -105047W)

**Vishal Vilas Divadkar**

Partner  
(Membership No. 118247)  
UDIN 25118247BMOXWN2732

Place: Mumbai  
Date: May 8, 2025

**For Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Regn. No -117366W/W - 100018)

**Rupen K Bhatt**

Partner  
(Membership No. 046930)  
UDIN 25046930BMODQV5268

Place: Mumbai  
Date: May 8, 2025

## Consolidated Balance Sheet as at March 31, 2025

₹ crore			
Particulars	Note	As at 31-3-2025	As at 31-3-2024
<b>ASSETS:</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	14128.56	13297.64
Capital work-in-progress	2	2390.86	2897.04
Investment property	3	1157.33	1936.44
Investment property under construction	3	501.30	254.93
Goodwill	4	8348.48	7800.88
Other intangible assets	5	17050.76	17384.52
Intangible assets under development	5	197.82	147.97
Right-of-use assets	61(b)(iii)	2869.02	2289.41
Financial assets			
Investments in joint ventures and associates	43(e)	2318.42	1264.25
Other investments	6	9126.23	9425.94
Loans towards financing activities	7	62847.35	52154.76
Other loans	8	348.96	475.46
Other financial assets	9	1863.04	1952.08
		76504.00	65272.49
Deferred tax assets (net)	51(d)	3792.88	3863.72
Current Tax Assets (net)		4581.60	4245.78
Other non-current assets	10	2659.78	2156.55
<b>Sub-total - Non-current assets</b>		<b>134182.39</b>	<b>121547.37</b>
<b>Current assets</b>			
Inventories	11	7670.55	6620.19
Financial assets			
Investments	12	43360.62	34957.63
Trade receivables	13	53713.68	48770.95
Cash and cash equivalents	14	12187.00	11958.50
Other bank balances	15	10778.34	3399.89
Loans towards financing activities	16	36077.51	34814.59
Other loans	17	416.85	106.54
Other financial assets	18	5419.89	5563.92
		161953.89	139572.02
Other current assets	19	75559.83	71391.03
<b>Sub-total - Current assets</b>		<b>245184.27</b>	<b>217583.24</b>
Group(s) of assets classified as held for sale	45	157.44	1005.36
<b>TOTAL ASSETS</b>		<b>379524.10</b>	<b>340135.97</b>

## Consolidated Balance Sheet as at March 31, 2025 (contd.)

₹ crore

Particulars	Note	As at 31-3-2025	As at 31-3-2024
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	20	275.04	274.93
Other equity	21	97380.56	86084.31
Equity attributable to owners of the Company		97655.60	86359.24
Non-controlling interests		17748.08	16190.42
<b>TOTAL EQUITY</b>		<b>115403.68</b>	<b>102549.66</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	22	57503.34	56506.97
Lease liabilities		2265.24	1734.78
Other financial liabilities	23	252.18	96.07
		60020.76	58337.82
Provisions	24	1124.01	987.38
Deferred tax liabilities (net)	51(d)	410.01	533.63
Other non-current liabilities	25	594.74	618.02
<b>Sub-total - Non-current liabilities</b>		<b>62149.52</b>	<b>60476.85</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	26	35861.30	27834.27
Current maturities of long term borrowings	27	36194.70	29698.53
Lease liabilities		584.34	547.67
Trade payables:			
Due to micro enterprises and small enterprises		1417.65	1018.71
Due to others	28	51041.69	52274.17
Other financial liabilities	29	6273.37	7575.67
		131373.05	118949.02
Other current liabilities	30	63326.97	52184.08
Provisions	31	4691.67	4115.89
Current tax liabilities (net)		2579.21	1860.47
<b>Sub-total - Current liabilities</b>		<b>201970.90</b>	<b>177109.46</b>
<b>TOTAL LIABILITIES</b>		<b>264120.42</b>	<b>237586.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>379524.10</b>	<b>340135.97</b>
<b>CONTINGENT LIABILITIES</b>	32		
<b>COMMITMENTS</b> (capital and others)	33		
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1 to 65		

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

Mumbai, May 8, 2025



## Consolidated Statement of Profit and Loss for the year ended March 31, 2025

		₹ crore	
Particulars	Note	2024-25	2023-24
<b>INCOME:</b>			
Revenue from operations	34	255734.45	221112.91
Other income (net)	35	4124.82	4158.03
<b>Total Income</b>		<b>259859.27</b>	<b>225270.94</b>
<b>EXPENSES:</b>			
Manufacturing, construction and operating expenses:	36		
Cost of raw materials and components consumed		27655.02	19442.25
Construction materials consumed		63526.44	54813.97
Purchase of stock-in-trade		1402.14	1063.77
Stores, spares and loose tools consumed		4393.39	4432.02
Sub-contracting charges		40570.92	35054.35
Changes in inventories of finished goods, work-in-progress, stock-in-trade and property development		(410.79)	1021.07
Other manufacturing, construction and operating expenses		27533.55	24486.49
Finance cost of financial services business and finance lease activity		6302.23	5714.90
		170972.90	146028.82
Employee benefits expense	37	46768.68	41171.02
Sales, administration and other expenses	38	11558.13	10419.42
Finance costs	39	3334.37	3545.85
Depreciation, amortisation, impairment and obsolescence	40	4121.18	3682.33
<b>Total Expenses</b>		<b>236755.26</b>	<b>204847.44</b>
<b>Profit before exceptional items and tax</b>		<b>23104.01</b>	<b>20423.50</b>
Exceptional items before tax (net) [gain/(loss)]		474.78	114.44
Tax expense on exceptional items:	51(a)		
Current tax		—	20.83
Deferred tax		—	—
		—	20.83
Exceptional items (net of tax)	48	474.78	93.61
<b>Profit before tax</b>		<b>23578.79</b>	<b>20517.11</b>
Tax expense:	51(a)		
Current tax		6100.82	5127.70
Deferred tax		(209.42)	(180.31)
		5891.40	4947.39
<b>Profit after tax</b>		<b>17687.39</b>	<b>15569.72</b>
Share in profit/(loss) after tax of joint ventures/associates (net)	43(f)	(14.06)	(22.62)
<b>Profit for the period</b>		<b>17673.33</b>	<b>15547.10</b>
<b>Other comprehensive income</b>			
<b>A Items that will not be reclassified to profit or loss:</b>			
Gain/(loss) on remeasurements of the net defined benefit plans		(307.75)	28.82
Income tax (expenses)/income on remeasurements of the net defined benefit plans		69.24	(8.61)
		(238.51)	20.21
Share in Other comprehensive income of joint ventures/associates (net)		(0.99)	0.27
<b>B Items that will be reclassified to profit or loss:</b>			
Debt instruments through Other comprehensive income		311.42	126.80
Income tax (expenses)/income on debt instruments through Other comprehensive income		(55.38)	(26.97)
		256.04	99.83
Carried forward - Other comprehensive income		16.54	120.31

## Consolidated Statement of Profit and Loss for the year ended March 31, 2025 (contd.)

		₹ crore	
Particulars	Note	2024-25	2023-24
Brought forward - Other comprehensive income		16.54	120.31
Exchange differences in translating the financial statements of foreign operations		44.21	13.81
Income tax (expenses)/income on exchange differences in translating the financial statements of foreign operations		3.92	1.74
		48.13	15.55
Effective portion of gains/(losses) on hedging instruments in a cash flow hedge		(193.21)	388.41
Income tax (expenses)/income on effective portion of gains/(losses) on hedging instruments in a cash flow hedge		(6.38)	(121.36)
		(199.59)	267.05
Cost of hedging reserve		191.13	0.12
Income tax (expenses)/income on cost of hedging reserve		(48.10)	(0.03)
		143.03	0.09
Share in Other comprehensive income of joint ventures/associates (net)		3.18	4.41
<b>Other comprehensive income for the period (net of tax)</b>		11.29	407.41
<b>Total comprehensive income for the period</b>		17684.62	15954.51
Profit for the period attributable to:			
Owners of the Company		15037.11	13059.11
Non-controlling interests		2636.22	2487.99
		17673.33	15547.10
Other comprehensive income for the period attributable to:			
Owners of the Company		37.35	235.70
Non-controlling interests		(26.06)	171.71
		11.29	407.41
Total comprehensive income for the period attributable to:			
Owners of the Company		15074.46	13294.81
Non-controlling interests		2610.16	2659.70
		17684.62	15954.51
<b>Earnings per share (EPS) of ₹ 2 each</b>			
Basic earnings per equity share (₹)	55	109.36	93.96
Diluted earnings per equity share (₹)	55	109.28	93.88
Face value per equity share (₹)		2.00	2.00
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1 to 65		

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

Mumbai, May 8, 2025

## Consolidated Statement of Changes in Equity for the year ended March 31, 2025

### A. Equity share capital

Particulars	2024-25		2023-24	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	1,37,46,68,619	274.93	1,40,54,82,190	281.10
Add: Shares issued on exercise of employee stock options during the year	5,23,546	0.11	4,36,429	0.08
Less: Shares extinguished on buy-back	—	—	3,12,50,000	6.25
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,37,51,92,165	275.04	1,37,46,68,619	274.93

### B. Other equity

Particulars	Reserves and surplus						Items of Other comprehensive income						Total other equity	Non-controlling interests	Total
	Capital reserve	Capital redemption reserve	Securities premium	Employee share options (net)	Statutory reserves	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	Equity instruments through Other comprehensive income					
<b>Balance as at 1-4-2023</b>	282.44	328.86	8770.19	467.09	3775.58	74519.94	777.53	141.76	(89.82)	71.28	89044.85	14241.27	103286.12		
Profit for the year (a)	—	—	—	—	—	13059.11	—	—	—	—	13059.11	2487.99	15547.10		
Other comprehensive income for the year (b)	—	—	—	—	—	14.28	13.14	110.34	97.94	—	235.70	171.71	407.41		
<b>Total comprehensive income for the year (a+b)</b>	—	—	—	—	—	13073.39	13.14	110.34	97.94	—	13294.81	2659.70	15954.51		
Buyback of equity shares	—	—	(8770.19)	—	—	(1223.56)	—	—	—	—	(9993.75)	—	(9993.75)		
Tax on buyback of equity shares	—	—	—	—	—	(2253.33)	—	—	—	—	(2253.33)	—	(2253.33)		
Expenses for buyback of equity shares (net of tax)	—	—	—	—	—	(26.55)	—	—	—	—	(26.55)	—	(26.55)		
Amount transferred to capital redemption reserve upon buyback	—	6.25	—	—	—	(6.25)	—	—	—	—	—	—	—		
Issue of equity shares on exercise of employee share options	—	—	9.56	—	—	—	—	—	—	—	9.56	—	9.56		
Transfer on account of exercise of employee share options	—	—	41.00	(41.00)	—	—	—	—	—	—	—	—	—		
Transfer to non-financial assets/liabilities	—	—	—	—	—	—	—	22.24	—	—	22.24	—	22.24		
Transfer from/(to) retained earnings	—	—	—	(12.17)	455.98	(443.81)	—	—	—	—	—	—	—		
Employee share options (net)	—	—	—	136.62	—	—	—	—	—	—	136.62	137.15	273.77		
Dividend paid (including special dividend)	—	—	—	—	—	(4216.95)	—	—	—	—	(4216.95)	(855.16)	(5072.11)		
Increase in non-controlling interest due to dilution/divestment/acquisition	—	—	—	—	—	66.81	—	—	—	—	66.81	7.46	74.27		
<b>Balance as at 31-3-2024</b>	282.44	335.11	50.56	550.54	4231.56	79489.69	790.67	274.34	8.12	71.28	86084.31	16190.42	102274.73		

## Consolidated Statement of Changes in Equity for the year ended March 31, 2025 (contd.)

₹ crore

Particulars	Reserves and surplus						Items of Other comprehensive income						Total
	Capital reserve	Capital redemption reserve	Securities premium	Employee share options (net)	Statutory reserves	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	Equity instruments through Other comprehensive income	Total other equity	Non-controlling interests	
<b>Balance as at 1-4-2024</b>	282.44	335.11	50.56	550.54	4231.56	79489.69	790.67	274.34	8.12	71.28	86084.31	16190.42	102274.73
Profit for the period(c)	-	-	-	-	-	15037.11	-	-	-	-	15037.11	2636.22	17673.33
Other comprehensive income for the period (d)	-	-	-	-	-	(237.09)	62.08	(24.05)	236.42	-	37.36	(26.06)	11.30
<b>Total comprehensive income for the period (c+d)</b>	-	-	-	-	-	14800.02	62.08	(24.05)	236.42	-	15074.47	2610.16	17684.63
Issue of equity shares on exercise of employee share options	-	-	9.22	-	-	-	-	-	-	-	9.22	-	9.22
Transfer on account of exercise of employee share options	-	-	78.65	(78.65)	-	-	-	-	-	-	-	-	-
Transfer to non-financial assets/liabilities	-	-	-	-	-	-	-	0.13	-	-	0.13	-	0.13
Transfer from/(to) retained earning	-	-	-	15.80	533.56	(478.08)	-	-	-	(71.28)	-	-	-
Employee share options (net)	-	-	-	11.67	-	-	-	-	-	-	11.67	131.00	142.67
Dividend paid (including special dividend)	-	-	-	-	-	(3849.57)	-	-	-	-	(3849.57)	(963.85)	(4813.42)
Net gain/(loss) on transactions with non-controlling interests	-	-	-	-	-	(94.36)	37.23	0.91	-	-	(56.22)	56.22	-
Increase in non-controlling interest due to dilution/ divestment/acquisition/redemption	-	-	-	-	-	106.55	-	-	-	-	106.55	(275.87)	(169.32)
<b>Balance as at 31-3-2025</b>	282.44	335.11	138.43	499.36	4765.12	89974.25	889.99	251.34	244.54	-	97380.56	17748.08	115128.64

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

Mumbai, May 8, 2025

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

## Consolidated Statement of Cash Flows for the year ended March 31, 2025

		₹ crore	
Particulars	2024-25	2023-24	
<b>A. Cash flow from operating activities:</b>			
Profit before exceptional items and tax	23104.01	20423.50	
Adjustments for:			
Dividend received	(117.05)	(208.49)	
Depreciation, amortisation, impairment and obsolescence	4121.18	3682.33	
Exchange difference on items grouped under financing/investing activities	(5.91)	(20.53)	
Effect of exchange rate changes on cash and cash equivalents	(2.17)	(2.37)	
Finance costs	3334.37	3545.85	
Interest income	(2449.87)	(2447.07)	
(Profit)/loss on sale of property, plant and equipment, investment property and intangible assets (net)	(187.64)	(95.44)	
(Profit)/loss on sale/fair valuation of investments (net)	(1133.12)	(734.20)	
Employee stock option-discount	222.60	297.63	
(Gain)/loss on disposal of subsidiary	–	(2.65)	
Loss on sale/fair valuation of investments towards financing activity (net)	148.52	1055.47	
Profit on transfer of business undertaking in Development Projects business	(187.44)	(511.73)	
(Gain)/loss on de-recognition of lease liability/right-of-use assets	(33.29)	(52.27)	
Others	11.57	1.38	
<b>Operating profit before working capital changes</b>	<b>26825.76</b>	<b>24931.41</b>	
Adjustments for :			
(Increase)/decrease in trade and other receivables	(9252.32)	(10642.89)	
(Increase)/decrease in inventories	(539.52)	244.68	
Increase/(decrease) in trade and other payables	9683.41	14601.02	
<b>Cash generated from operations before financing activities</b>	<b>26717.33</b>	<b>29134.22</b>	
(Increase)/decrease in loans and advances towards financing activities	(11955.52)	(5587.89)	
<b>Cash generated from operations</b>	<b>14761.81</b>	<b>23546.33</b>	
Direct taxes paid [net]	(5601.10)	(5280.05)	
<b>Net cash generated from/(used in) operating activities</b>	<b>9160.71</b>	<b>18266.28</b>	
<b>B. Cash flow from investing activities:</b>			
Purchase of property, plant and equipment, investment property and intangible assets	(4418.83)	(4516.53)	
Sale of property, plant and equipment, investment property and intangible assets	878.17	306.06	
Purchase of non-current investments	(2284.26)	(4889.46)	
Sale of non-current investments	1726.33	2127.87	
(Purchase)/sale of current investments (net)	(5950.82)	2803.49	
Change in other bank balance and cash not available for immediate use	(7201.57)	2697.75	
Deposits/loans given to associates, joint ventures and third parties	(448.54)	–	
Deposits/loans repaid by associates, joint ventures and third parties	318.77	151.72	
Interest received	2083.51	2408.16	
Dividend received from joint ventures/associates	27.27	129.83	
Dividend received from other investments	117.05	96.25	
Consideration received on transfer of other business undertaking	52.54	–	
Consideration received on disposal of subsidiaries/joint venture	1065.37	214.67	
Consideration received on transfer of business undertaking in Development Projects business	634.20	651.33	
Consideration paid on acquisition of Subsidiaries (including contingent consideration)	(1049.85)	(13.14)	
Cash and cash equivalents acquired pursuant to acquisition of subsidiaries	29.71	0.01	
Cash and cash equivalents of subsidiaries discharged pursuant to divestment/classification to held for sale	–	(4.97)	
Consideration paid on acquisition of stake in an associate/joint venture	(1096.56)	–	
<b>Net cash generated from/(used in) investing activities</b>	<b>(15517.51)</b>	<b>2163.04</b>	

## Consolidated Statement of Cash Flows for the year ended March 31, 2025 (contd.)

		₹ crore	
Particulars	2024-25	2023-24	
<b>C. Cash flow from financing activities:</b>			
Proceeds from issue of share capital (including share application money) [net]	9.32	9.65	
Buy-back of equity shares	—	(10000.00)	
Tax on buy-back of equity shares	—	(2253.33)	
Expenses on buy-back of equity shares	—	(26.55)	
Proceeds from non-current borrowings	38199.71	23125.43	
Repayment of non-current borrowings	(30782.41)	(24356.65)	
Proceeds from/ (repayment of) other borrowings (net)	8297.30	(2871.15)	
Payment (to)/from non-controlling interest (net)	(1196.18)	(808.09)	
Settlement of derivative contracts related to borrowings	50.24	49.65	
Dividends paid	(3849.57)	(4216.95)	
Repayment of lease liability	(562.30)	(459.89)	
Interest paid on lease liability	(193.84)	(167.21)	
Interest paid (including cash flows on account of interest rate swaps)	(3415.65)	(3438.27)	
<b>Net cash generated from/(used in) financing activities</b>	<b>6556.62</b>	<b>(25413.36)</b>	
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>199.82</b>	<b>(4984.04)</b>	
<b>Cash and cash equivalents at beginning of the year</b>	<b>11958.50</b>	<b>16926.69</b>	
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>28.68</b>	<b>15.85</b>	
<b>Cash and cash equivalents at end of the year</b>	<b>12187.00</b>	<b>11958.50</b>	

### Notes:

- Statement of Cash Flows has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS) 7 “Statement of Cash Flows” as specified in the Companies (Indian Accounting Standards) Rules, 2015.
- Property, plant and equipment, investment property and intangible assets are adjusted for movement of (a) capital work-in-progress for property, plant and equipment and investment property and (b) intangible assets under development during the year.
- Previous year's figures have been regrouped/reclassified wherever applicable.

In terms of our report attached  
For M S K A & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 105047W  
by the hand of

VISHAL VILAS DIVADKAR  
Partner  
Membership No. 118247

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
Firm's Registration No.117366W/W-100018  
by the hand of

RUPEN K. BHATT  
Partner  
Membership No. 046930

For and on behalf of the Board of Directors of Larsen & Toubro Limited

S. N. SUBRAHMANYAN  
Chairman & Managing Director  
(DIN 02255382)

P. R. RAMESH  
Independent Director  
(DIN 01915274)

R. SHANKAR RAMAN  
President, Whole-time Director &  
Chief Financial Officer  
(DIN 00019798)

SIVARAM NAIR A  
Company Secretary & Compliance Officer  
Membership No. FCS3939

Mumbai, May 8, 2025

# Notes forming part of the Consolidated Financial Statements

## NOTE [1](I)

### Company Overview

The Consolidated Financial Statements comprise financial statements of "Larsen & Toubro Limited" ("L&T", the "Parent Company" or the "Company") and its subsidiaries (collectively referred to as "the Group") for the year ended March 31, 2025. The Company is a public limited company incorporated and domiciled in India and has its registered office at L&T House, Ballard Estate, Mumbai – 400001. The Company's share is listed on National Stock Exchange of India Limited (NSE) and BSE Limited.

The Group is an Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing and Services, operating across multiple geographies. Further details of the business operations of the Group are mentioned in Note [46] Segment Information.

## NOTE [1](II)

### Material Accounting Policy Information

#### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These consolidated financial statements have been approved for issue by the Board of Directors at its meeting held on May 8, 2025.

#### (b) Basis of accounting and measurement

The Group maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- (ii) Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the assets or liabilities, either directly or indirectly; and
- (iii) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

#### (c) Presentation of consolidated financial statements

The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Consolidated Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the consolidated financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the consolidated financial statements are presented in Indian Rupees in crore [1 crore = 10 million] rounded off up to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupees up to two decimal places.

#### (d) Basis of consolidation

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired are included in the Consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- (iii) The consolidated financial statements of the Group combine financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income,

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries are harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements are presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

Profit or loss and other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests, shown separately in the consolidated financial statements.

- (iv) Non-controlling interests represent that part of the total comprehensive income and net assets of subsidiaries attributable to the interest which is not owned, directly or indirectly, by the Parent Company.
- (v) The gains/losses in respect of part divestment/dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Parent Company in the consolidated financial statements of the Group.
- (vi) The gains/losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value with the corresponding effect recognised in the Statement of Profit and Loss as on the date the control is ceded. Such retained interest is subsequently accounted as investment in an associate or a joint venture or as a financial asset.

### (e) Investments in joint ventures and associates

When the Group has with other entities joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint ventures. Joint control exists when the decisions about the relevant activities (i.e. activities that significantly affects the investee's returns) require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interest as investment in associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

The results, assets and liabilities of joint ventures and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever required.

An investment in joint ventures or associates is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint ventures or associates. Gain or loss in respect of changes in Other Equity of joint ventures or associates resulting from divestment or dilution of stake in the joint ventures and associates is recognised in the Statement of Profit and Loss. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture and associate, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve.

The unrealised profits/losses on transactions with joint ventures and associates are eliminated by reducing the carrying amount of investment.

The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is evidence of impairment.

When the Group's share of losses of a joint venture or an associate exceeds the Group's interest in that joint venture or the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture or the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or the associate.

Upon classification of investment in joint ventures and/or associates as held for sale, equity accounting is discontinued in respect to that interest.

### (f) Interests in joint operations

When the Group has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities (i.e. activities that significantly affects the investee's returns) require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement, thereby forms part of the consolidated financial statements. Interests in joint operations are included in the segments to which they relate.

### (g) Business combination/Goodwill on consolidation

The Group accounts for business combinations under acquisition method of accounting. Acquisition-related costs are recognised in the Statement of Profit and Loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition



# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

for recognition are recognised at their fair values at the acquisition date. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively with corresponding adjustments to goodwill or capital reserve as the case maybe, else recognised in the Statement of Profit and Loss.

Goodwill arising on consolidation, of acquisitions represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidiary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidiary as on the date of acquisition of control. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised as Capital Reserve.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the acquisition.

After initial recognition, goodwill arising on consolidation is tested for impairment annually and measured at cost less accumulated impairment losses, if any. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Business combinations arising from transfers of interests in entities that are under common control are accounted using pooling of interest method. The difference between consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in equity.

### (h) Operating cycle for current and non-current classification

Operating cycle for the business activities of the Group covers the duration of the specific project or contract or product line or service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

### (i) Revenue recognition

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done using input method by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to date, to the total estimated cost attributable to the performance obligation as it best depicts the transfer of control that occurs as costs are incurred.

The Group transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- (a) the customer simultaneously consumes the benefit of the company's performance or
- (b) the customer controls the asset as it is being created/enhanced by the company's performance or
- (c) there is no alternative use of the asset and the company has either explicit or implicit right of payment considering legal precedents.

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Group expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Group includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged off in profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfill a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

- a. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time. Revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.
- b. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

- c. Determining the method to be applied to arrive at the variable consideration including variations and claims requiring an adjustment to the transaction price. Variable consideration is recognised when the recovery of such consideration is highly probable.

Revenue includes adjustments made towards liquidated damages and variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

- A. Revenue from sale of manufactured and traded goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled for the exchanged goods. Revenue from commissioning of complex plant and equipment is recognised either 'over time' or 'in time' based on assessment of the transfer of control as per the terms of the contract.

- B. Revenue from construction/project related activity is recognised as follows:

- Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
- Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to date, to the total estimated contract costs. With respect to contracts, where the outcome of the performance obligation cannot be reasonably measured, but the costs incurred towards satisfaction of performance obligation are expected to be recovered, the revenue is recognised only to the extent of costs incurred.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Excess of billing over revenue". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The Group recognises impairment loss (termed as provision for expected credit loss in the consolidated financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

- C. Revenue from property development activities is recognised when performance obligation is satisfied, customer obtains control of the property transferred and a reasonable expectation of collection of the sale consideration from the customer exists.
- D. In the case of the development project business and the realty business, revenue includes profit on sale of investment properties or sale of business undertaking/stake in the subsidiary and/or joint venture companies as the sale/divestments are inherent in the business model.
- E. Rendering of services

Revenue from rendering of services is recognised over time as the customer receives the benefit of the company's performance and the company has an enforceable right to payment for services transferred.

In respect of information technology business and technology services business, revenue from contracts awarded on time and material basis is recognised over a period of time when relevant services are rendered and related costs are incurred. Revenue from fixed price contracts is recognised over a period of time using the proportionate completion method.

Revenue from contracts for rendering of engineering design services and other services which are directly related to the construction of an asset is recognised on the same basis as stated in (i) B above.

- G. In respect of financial services business and finance lease activity, income from interest-bearing loans/lease is recognised on accrual basis over the life of the loans/lease based on the effective yield. Income from bill discounting, advisory and syndication services and other financing activities is accounted on accrual basis.
- H. Revenue on account of construction services rendered in connection with Build-Operate-Transfer (BOT) projects undertaken by the Group is recognised during the period of construction using percentage of completion method. After the completion of

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

construction period, revenue from fare collection is recognised based on use of tokens, money value of the actual usage in case of smart cards and other direct fare collection.

- I. Commission income is recognised when the terms of the contract are fulfilled.
- J. Course fees/subscription income is recognised over time as per the course/subscription duration and agreed terms.
- K. Revenue from charter hire is recognised as per the terms of the time charter agreement.
- L. Revenue from operation and maintenance services of power plant receivable under the Power Purchase Agreement is recognised on accrual basis.
- M. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and the right to receive the income is established as per the terms of the contract.
- N. Warranty and other related obligation

The Group accounts for provision of warranty, return, refund and other similar obligations in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". Refer Note [1(II)(ab)] below for policy on provisions, contingent liabilities and contingent assets.

### (j) Other income

- A. Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.
- B. Dividend income is accounted in the period in which the right to receive the same is established.
- C. Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Group, are recognised as other income/reduced from underlying expenses in profit or loss in the period in which such costs are incurred. Government grants related to an asset are reduced from the cost of an asset until the asset is ready to use and the grant post that is presented as deferred income. Subsequently the grant is recognised as income in profit or loss on a systematic basis over the expected useful life of the related asset. Government grant receivable in the form of duty credit scrips is recognised as other income in the Statement of Profit and Loss in the period in which the export is done or the application is made to the government authorities and to the extent there is no uncertainty towards its receipt.
- D. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

### (k) Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in Statement of Profit and Loss and in the notes forming part of the consolidated financial statements.

### (l) Property, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.

All directly attributable costs related to the acquisition of PPE and borrowing costs in case of qualifying assets are capitalised in accordance with the Group's accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. All direct cost that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress". (Also refer to the policies on leases, borrowing costs, impairment of assets and foreign currency transactions below).

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

Depreciation is recognised using straight-line method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful life specified in Schedule II to the Act, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset then useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to owned assets is calculated pro rata from the date it is ready for use.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

### (m) Investment property

Properties (including those under construction) held to earn rentals and/or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs and borrowing cost capitalised for qualifying assets, in accordance with the Group's accounting policy. Policies with respect to depreciation, useful life and derecognition are on the same basis as stated in PPE above.

### (n) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, including borrowing costs capitalised for qualifying assets and reduced by accumulated amortisation and cumulative impairment, if any. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Research and development expenditure on new products:

- (i) Expenditure on research is expensed under respective heads of account in the period in which it is incurred
- (ii) Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:
  - A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
  - B. the Group has intention to complete the intangible asset and use or sell it;
  - C. the Group has ability to use or sell the intangible asset;
  - D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
  - E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
  - F. the Group has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Fare collection rights obtained in consideration for rendering construction services represent the right to collect fare during the concession period in respect of Build-Operate-Transfer (BOT) projects undertaken by the Group. Fare collection rights are capitalised as intangible asset upon completion of the project at the cumulative construction costs including related margins.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

Intangible assets are amortised on straight-line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year and the effect of any changes in the estimate being accounted for on a prospective basis. The estimated useful life for major categories of the intangible assets are as follows:

- (i) Specialised software: over a period of two to ten years;
- (ii) Technical know-how: over a period of three to eight years;
- (iii) New product design and development: over a period of five years;
- (iv) Customer contracts and relationship: over a period of the contract which generally is over three to ten years;
- (v) Trade name: over a period of three months to six years;
- (vi) Platforms and courses: over a period of five years;
- (vii) Rights under licensing agreement: over a period of six years;
- (viii) Fare collection rights are amortised using the straight-line method over the period of concession; and
- (ix) Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

### (o) Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, investment property, intangible assets and investments in joint ventures and associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property, intangible assets and investments in joint ventures and associates are tested for impairment so as to determine the impairment loss, if any. Goodwill and intangible assets not available for use are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of fair value less costs of disposal and the value-in-use; and
- (ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.

(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the entity and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

### (p) Employee benefits

- (i) Short-term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia, and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

- (ii) Post-employment benefits:

- A. Defined contribution plans: The Group's superannuation scheme, state governed provident fund scheme, employee state insurance scheme, social security contributions and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

- B. Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Group, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance costs. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Other long-term employee benefits:

The obligation recognised in respect of other long-term benefits is measured at present value of estimated future cash flows expected to be made by the Group and is recognised in a similar manner as in the case of defined benefit plans vide (ii) B above.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefits expenses. Interest cost implicit in long term employee benefit cost is recognised in the Statement of Profit and Loss under finance cost.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Group's offer of the termination benefit can no longer be withdrawn or when the Group recognises the related restructuring costs, whichever is earlier.

### (q) Leases

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short term.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Groups' net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Group recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Group presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

In case of sale and leaseback transactions, the Group first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is at market terms, the Group effectively derecognises the asset, recognises a ROU asset (and lease liability) and recognises in Statement of Profit and Loss, the gain or loss relating to the buyer-lessor's rights in the underlying asset.

(Also refer to policy on Property, Plant and Equipment above)

### (r) Financial instruments

Financial assets and/or financial liabilities are recognised when the Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from, as the case may be, the fair value of such financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

#### (i) Financial assets

A. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, as follows:

1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value
2. Other investments in debt instruments – at amortised cost (unless the same are designated as fair value through profit or loss), subject to following conditions:
  - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
  - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
3. Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss)
  - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
  - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
4. Debt instruments at FVTPL is a residual category for debt instruments, if any, and all changes are recognised in profit or loss.
5. Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.
6. Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.
7. The Group has elected to measure the investments in associates and joint ventures held through unit trusts at FVTPL.



# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

- B. For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.
- C. A financial asset is primarily derecognised when:
1. the right to receive cash flows from the asset has expired, or
  2. the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the group has transferred substantially all the risks and rewards of the asset, or b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss.

- D. Impairment of financial assets: For trade receivable, the Group applies the simplified approach of Ind AS 109, which require measurement of loss allowance at an amount equal to lifetime expected credit losses. The Group recognises impairment loss using expected credit loss model which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 and is adjusted for forward looking information.

For all other financial assets, expected credit losses (ECL) are recognised based on the difference between the contractual cashflows and all the expected cash flows, discounted at the original effective interest rate. ECLs are measured at an amount equal to 12-month expected credit losses or at an amount equal to lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In respect of financial services business, the Group applies a separate model of the expected credit loss for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables and other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL as follows:

- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for e.g. prepayment, extension, call and similar options) through the expected life of that financial instrument.
- The loss allowance for a financial instrument is measured at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the loss allowance for that financial instrument is measured at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.
- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses. To make that assessment, the risk of a default occurring on the financial instrument as at the reporting date is compared with the risk of a default occurring on the financial instrument as at the date of initial recognition using reasonable and supportable information, that is available without undue cost or effort.

#### (ii) Financial liabilities

- A. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings, trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using Effective Interest Rate (EIR) method.
- B. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.



# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

- (iii) The Group designates certain hedging instruments such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.
  - A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.
  - B. Cash flow hedges: In case of forward contracts, the forward element/foreign currency basis spread and the spot element are separated and only the change in the value of the spot element is designated as hedging instrument. In case of options, the intrinsic value and time value are separated and only the change in intrinsic value is designated as hedging instrument.
    - (i) Accounting of spot element/intrinsic value of options: The changes in the fair value of hedge instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.
    - (ii) Accounting of forward element/foreign currency basis spread/time value of options: The changes in fair value are recognised in other comprehensive income and accumulated in equity as "cost of hedging reserve". For a transaction related hedged item, the amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. For a time related hedged item, the time value on the date on which the hedged item affects profit or loss are reclassified to profit or loss as a reclassification adjustment on a straight-line basis over the period of the hedging instrument.

The cash flow hedges are allocated to the forecast transactions on gross exposure basis. Where the hedged forecast transaction results in the recognition of a non-financial asset, such gains/losses are transferred from hedge reserve (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised in profit or loss.

- (iv) Compound financial instruments issued by the Group which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by recognising the liability and the equity components separately. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

### (s) Inventories

Inventories are valued after providing for obsolescence, as under:

- (i) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
- (ii) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realisable value. In some cases, manufacturing work-in-progress are valued at lower of specifically identifiable cost or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.
- (iii) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.
- (iv) Completed property/work-in-progress (including land) in respect of property development activity at lower of specifically identifiable cost or net realisable value.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

#### (t) Cash and bank balances

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and bank balances.

#### (u) Securities premium

(i) Securities premium includes:

- A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.
- B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

#### (v) Earnings per share

Basic earnings per share is computed using the net profit or loss after tax for the year attributable to the equity shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss after tax for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

#### (w) Borrowing Costs

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings, to the extent they are regarded as an adjustment to finance costs. In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### (x) Share-based payment arrangements

The stock options granted to employees in terms of the Group's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the retained earnings. The share-based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### (y) Foreign currencies

- (i) The functional currency and presentation currency of the Group is Indian Rupee. Functional currency of the Group and foreign operations has been determined based on the primary economic environment in which the Group and its foreign operations operate considering the currency in which funds are generated, spent and retained.
- (ii) Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date or a rate that approximates with it at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the closing spot rate. Non- monetary items that are measured in terms of historical cost in foreign currency are not translated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise except for:

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

- A. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when such exchange differences are regarded as an adjustment to finance costs on those foreign currency borrowings;
  - B. exchange differences on transactions entered into to hedge certain foreign currency risks; and
  - C. exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur or included in the net investment in foreign operation and are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.
- (iii) Exchange rate as of the date on which the non-monetary asset or non-monetary liability is recognised on payment or receipt of advance consideration is used for initial recognition of related asset, liability, expense or income.
- (iv) Financial statements of foreign operations whose functional currency is different than Indian Rupee are translated into Indian Rupee as follows:
- A. assets and liabilities are translated at the closing rate at the date of that Balance Sheet;
  - B. income and expenses are translated at average exchange rate for the reporting period; and
  - C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations. The portion of foreign currency translation reserve attributed to non-controlling interests is reflected as part of non-controlling interests.

### (z) Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment accounting policies are in line with the accounting policies of the Group. In addition, the following specific accounting policies have been followed for segment reporting:

- (i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including (a) inter-segment revenue and (b) profit on sale of business undertaking/stake in the subsidiary and/or joint venture companies under development projects segment and realty business grouped under "Others" segment.
- (ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. In respect of (a) Financial Services segment and (b) Development Projects segment relating to power generation asset given on finance lease, the finance costs on borrowings are accounted as segment expenses.
- (iii) Most of the common costs are allocated to segments mainly on the basis of the respective segment revenue estimated at the beginning of the reporting period.
- (iv) Income not allocable to segments is included in "Unallocable corporate income net of expenditure".
- (v) Segment result represents profit before interest and tax and includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Group. It also includes the finance costs incurred on interest bearing advances with corresponding credit included in "Unallocable corporate income net of expenditure". Segment result are not adjusted for any exceptional item.
- (vi) Segment assets and liabilities include those directly identifiable with the respective segments. In respect of (a) Financial Services segment, and (b) Development Projects segment relating to power generation asset given on finance lease, segment liabilities include borrowings as the finance costs on the borrowings are accounted as segment expenses. Investment in joint ventures and associates identified with a particular segment are reported as part of the segment assets of those respective segments.

Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole.

- (vii) Segment non-cash expenses forming part of segment expenses also includes the fair value of the employee stock options which is accounted as employee compensation cost [Note 1(II)(x) above] and is allocated to the segment.
- (viii) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price which are either determined to yield a desired margin or agreed on a negotiated basis

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [1](II)

### Material Accounting Policy Information (contd.)

#### (aa) Taxes on income

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the applicable tax laws, and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances. The computation reflects the effect of uncertainty for each item of allowance and disallowance as appropriate either by i). expected value method which sums the probability-weighted amounts in a range of possible outcomes or ii). the most likely amount in a range of possible outcomes.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains"/other temporary differences are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised, to the extent it is probable that such unutilised tax credits will get realised, in the period in which such determination is made.

Transaction or event which is recognised outside profit or loss, either in Other comprehensive income or in equity or in case of business combination, is recorded along with the tax as applicable.

#### (ab) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- (i) the Group has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- (i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (ii) a present obligation arising from past events where:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

#### (ac) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) uncalled liability on shares and other investments partly paid;

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [1](II)

#### Material Accounting Policy Information (contd.)

- c) funding related commitment to associate and joint venture companies; and
- d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

#### (ad) Discontinued Operations and non-current assets held for sale

Discontinued operation is a component of the Group that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

#### (ae) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the profit before tax excluding exceptional items for the effects of:

- i. changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

#### (af) Key sources of estimation

The preparation of consolidated financial statements in conformity with Ind AS requires that the management of the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the consolidated financial statements. The estimates and underlying assumptions made by the management are explained under respective policies. Revisions to accounting estimates include useful life of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/recoverable amount measurement, tax provisions etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

### NOTE [1](III)

#### Recent Pronouncement

There are no standards of accounting or any addendum thereto, prescribed by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013, which are issued and not effective as at March 31, 2025.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [2]

### Property, Plant and Equipment and Capital work-in-progress

Class of assets	Cost					Depreciation				Impairment		₹ crore						
	As at 1-4-2024	Business combination	Additions	Transfer*	Foreign Currency Fluctuation	Classified as held for sale	Deductions	As at 31-3-2025	Up to 31-3-2024	For the period	Transfer*		Foreign Currency Fluctuation	Classified as held for sale	Deductions	Up to 31-3-2025	Up to 31-3-2025	Book value As at 31-3-2025
Land																		
Freehold	854.23	-	46.32	6.50	-	-	29.29	877.76	-	-	-	-	-	-	-	-	-	877.76
Leasehold	145.63	-	-	-	-	-	-	145.63	16.11	1.60	-	-	-	-	17.71	-	-	127.92
Sub-total	999.86	-	46.32	6.50	-	-	29.29	1023.39	16.11	1.60	-	-	-	-	17.71	-	-	1,005.68
Buildings	5904.59	481.03	738.51	(9.10)	6.05	22.98	104.85	6993.25	1356.20	71.61	215.27	(2.14)	3.02	4.37	34.42	530.09	-	4857.99
Plant & equipment																		
Owned	12422.98	907.58	1596.94	(2.88)	12.05	37.14	194.55	14704.98	6996.48	202.16	1565.28	-	8.93	18.70	187.60	8566.55	614.19	5524.24
Leased out	146.60	-	15.37	(0.32)	-	-	0.23	161.42	80.21	-	12.17	(0.32)	-	-	0.22	91.84	-	69.58
Sub-total	12569.58	907.58	1612.31	(3.20)	12.05	37.14	194.78	14866.40	7076.69	202.16	1577.45	(0.32)	8.93	18.70	187.82	8658.96	614.19	5593.82
Computers																		
Owned	2571.65	21.83	432.38	(0.02)	3.77	-	226.35	2803.26	1786.72	17.22	372.71	-	3.56	-	217.24	1,962.97	0.24	840.05
Leased out	6.27	-	-	-	-	-	6.27	-	6.27	-	-	-	-	-	6.27	-	-	-
Sub-total	2577.92	21.83	432.38	(0.02)	3.77	-	232.62	2803.26	1792.99	17.22	372.71	-	3.56	-	223.51	1,962.97	0.24	840.05
Office equipment																		
Owned	761.60	2.03	162.11	0.06	0.84	0.42	55.64	870.58	569.05	1.52	94.77	0.06	0.29	0.24	53.65	611.80	0.05	258.73
Leased out	0.02	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-
Sub-total	761.62	2.03	162.11	0.06	0.84	0.42	55.66	870.58	569.05	1.52	94.77	0.06	0.29	0.24	53.65	611.80	0.05	258.73
Furniture and fixtures																		
Owned	618.20	6.75	110.44	-	1.99	0.23	65.85	671.30	374.69	4.86	71.30	-	1.77	0.02	56.46	396.14	1.60	273.56
Leased out	14.36	-	0.50	-	-	-	14.36	0.50	7.20	-	-	-	-	-	7.20	-	-	0.50
Sub-total	632.56	6.75	110.94	-	1.99	0.23	80.21	671.80	381.89	4.86	71.30	-	1.77	0.02	63.66	396.14	1.60	274.06
Vehicles	407.55	0.37	64.12	0.02	1.75	-	48.96	424.85	231.05	0.36	49.58	-	1.31	-	36.36	245.94	0.01	178.90
Other assets																		
Aircraft	249.92	-	-	-	-	-	-	249.92	100.34	-	14.80	-	-	-	-	115.14	-	134.78
Ships	323.51	-	17.98	-	-	-	-	341.49	113.43	-	20.95	-	-	-	-	134.38	-	207.11
Shiplift, marine structures and related assets	683.07	-	-	-	-	-	-	683.07	329.26	-	29.54	-	-	-	-	358.80	-	324.27
Breakwater structures	233.43	-	-	-	-	-	-	233.43	54.39	-	5.01	-	-	-	-	59.40	-	174.03
Leasehold																		
Improvements	542.00	0.14	154.11	13.50	2.15	12.81	67.62	631.47	358.23	0.14	63.30	-	2.03	4.76	66.61	352.33	-	279.14
Sub-total	2031.93	0.14	172.09	13.50	2.15	12.81	67.62	2139.38	955.65	0.14	133.60	-	2.03	4.76	66.61	1020.05	-	1119.33
Total	25885.61	1419.73	3338.78	7.76	28.60	73.58	813.99	29792.91	12379.63	297.87	2516.28	(2.40)	20.91	28.09	666.03	14518.17	1146.18	14128.56
Add: Capital work-in-progress	2897.04	1.55	1087.20	(3.55)	5.00	-	1596.38	2390.86	-	-	-	-	-	-	-	-	-	2390.86
																		16519.42

\* Transfer within property, plant and equipment and Transfer (to) / from investment property/inventories

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [2] (contd.)

Class of assets	Cost			Depreciation		Impairment		₹ crore	
	As at 1-4-2023	Additions	Transfer*	Foreign currency fluctuation	Deductions	As at 31-3-2024	Up to 31-3-2023	Up to 31-3-2024	As at 31-3-2024
<b>Land</b>									
Freehold	855.27	0.71	(1.67)	—	0.08	854.23	—	—	854.23
Leasehold	145.63	—	—	—	—	145.63	14.52	16.11	129.52
<b>Sub-total</b>	1000.90	0.71	(1.67)	—	0.08	999.86	14.52	16.11	983.75
<b>Buildings</b>	4623.52	1319.07	1.51	0.44	39.95	5904.59	1159.55	1356.20	4362.75
<b>Plant &amp; equipment</b>									
Owned	10506.80	2169.12	8.96	6.11	268.01	12422.98	5833.36	6996.48	5403.86
Leased out	324.22	—	—	—	177.62	146.60	221.58	80.21	66.39
<b>Sub-total</b>	10831.02	2169.12	8.96	6.11	445.63	12569.58	6054.94	7076.69	5470.26
<b>Computers</b>									
Owned	2447.28	291.97	—	1.55	169.15	2571.65	1614.29	1786.72	784.93
Leased out	6.27	—	—	—	—	6.27	6.27	6.27	—
<b>Sub-total</b>	2453.55	291.97	—	1.55	169.15	2577.92	1620.56	1792.99	784.93
<b>Office equipment</b>									
Owned	715.61	105.76	(18.61)	1.05	42.21	761.60	544.28	569.05	192.55
Leased out	0.02	—	—	—	—	0.02	—	—	0.02
<b>Sub-total</b>	715.63	105.76	(18.61)	1.05	42.21	761.62	544.28	569.05	192.57
<b>Furniture and fixtures</b>									
Owned	491.46	178.88	—	0.91	53.05	618.20	353.29	374.69	243.45
Leased out	14.36	—	—	—	—	14.36	7.20	7.20	7.16
<b>Sub-total</b>	505.82	178.88	—	0.91	53.05	632.56	360.49	381.89	250.61
<b>Vehicles</b>	402.54	72.74	—	1.27	69.00	407.55	244.30	231.05	176.50
<b>Other assets</b>									
Aircraft	249.83	0.09	—	—	—	249.92	85.54	100.34	149.58
Ships	286.39	37.12	—	—	—	323.51	92.12	113.43	210.08
Shiplift, marine structures and related assets	683.07	—	—	—	—	683.07	299.72	329.26	353.81
Breakwater structures	233.43	—	—	—	—	233.43	49.38	54.39	179.04
Leasehold improvements	469.52	125.28	—	1.96	54.76	542.00	351.32	358.23	183.77
<b>Sub-total</b>	1922.24	162.49	—	1.96	54.76	2031.93	878.08	955.65	1076.28
<b>Total</b>	22455.22	4300.74	(9.81)	13.29	873.83	25885.61	10876.72	12379.63	13297.64
Add: Capital work-in-progress	2936.53	2476.91	(13.94)	3.10	2505.56	2897.04	—	—	2897.04
									16194.68

\* Transfer within property, plant and equipment and Transfer (to) / from investment property / inventories

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [2] (contd.)

#### Notes:

- (a) Carrying value of property, plant and equipment pledged as collateral for liabilities and/or commitments as at March 31, 2024 ₹ 40.20 crore (previous year: ₹ 37.43 crore)
- (b) The movement in impairment is as below:

	₹ crore	
Particulars	2024-25	2023-24
Opening Balance	208.34	242.22
Foreign currency fluctuation	0.25	–
Addition/(reversal)	1.58	(1.94)
Business combination	936.01 <sup>(1)</sup>	–
Reduction on sale of assets	–	(31.94)
Closing Balance	1146.18	208.34

<sup>(1)</sup> on account of acquisition of L&T Special Steels and Heavy Forgings Private Limited

- (c) Owned assets given on operating lease have been presented separately under respective class of assets as “Leased out” in accordance with Ind AS 116 “Leases”.
- (d) Range of useful life of property, plant and equipment is as below:

Sr. no.	Class of assets	Minimum useful life (in years)	Maximum useful life (in years)
1	Leasehold land	15	99
2	Buildings	3	60
3	Plant and equipment	3	35
4	Computers	2	7
5	Office equipment	3	15
6	Furniture and fixtures	3	10
7	Vehicles	3	10
8	Aircraft	18	18
9	Ships	5	14
10	Shiplift, marine structures and related assets and Breakwater structures	20	50

- (e) Ageing of Capital work-in-progress

	As at 31-3-2025					As at 31-3-2024				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1778.80	454.08	51.52	106.46	2390.86	2209.22	572.91	96.01	18.90	2897.04

As on the date of balance sheet, there is no capital work-in-progress project(s) whose completion is overdue or has exceeded the cost, based on the approved plan.



## Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [3]**
**Investment Property**

₹ crore

Class of assets	Cost					Depreciation					Impairment		Book value	
	As at 1-4-2024	Additions	Classified as Held for Sale	Transfer*	Deductions	As at 31-3-2025	Up to 31-3-2024	For the period	Classified as Held for Sale	Transfer*	Deductions	As at 31-3-2025	As at 31-3-2025	As at 31-3-2025
Land	799.47	1.21	0.22	(51.60)	290.35	458.51	57.77	7.81	—	—	35.16	30.42	—	428.09
Buildings	1392.40	121.46	117.91	12.38	498.44	909.89	197.66	62.56	22.28	2.28	59.57	180.65	—	729.24
<b>Total</b>	<b>2191.87</b>	<b>122.67</b>	<b>118.13</b>	<b>(39.22)</b>	<b>788.79</b>	<b>1368.40</b>	<b>255.43</b>	<b>70.37</b>	<b>22.28</b>	<b>2.28</b>	<b>94.73</b>	<b>211.07</b>	<b>—</b>	<b>1157.33</b>
Add: Investment property under construction	254.93	614.76	16.10	(281.95)	70.34	501.30	—	—	—	—	—	—	—	501.30
														1658.63

\* Transfer (to) / from property, plant and equipment/inventories

₹ crore

Class of assets	Cost					Depreciation				Impairment	Book value	
	As at 1-4-2023	Additions	Transfer*	Deductions	As at 31-3-2024	Up to 31-3-2023	For the period	Transfer*	Deductions	As at 31-3-2024	As at 31-3-2024	As at 31-3-2024
Land	1088.78	—	(15.84)	273.47	799.47	59.98	12.66	—	14.87	57.77	—	741.70
Buildings	1730.29	36.50	(1.51)	372.88	1392.40	199.74	28.04	(0.98)	29.14	197.66	—	1194.74
<b>Total</b>	2819.07	36.50	(17.35)	646.35	2191.87	259.72	40.70	(0.98)	44.01	255.43	—	1936.44
Add: Investment property under construction	804.54	28.67	(575.39)	2.89	254.93	—	—	—	—	—	—	254.93

\* Transfer (to)/from Property plant & equipment / inventories

**Notes:**

- Carrying value of Investment property pledged as collateral for liabilities and/or commitments and having restriction on title as at March 31, 2025: Nil (previous year: Nil)
- Useful life of building included in investment property: 3 to 60 years
- Amounts recognised in the Statement of Profit and Loss in respect of investment property:

₹ crore

Sr. no.	Particulars	2024-25	2023-24
1	Rental income derived from investment property	143.61	144.64
2	Direct operating expenses arising from investment property that generated rental income	9.93	14.12

- Fair value of investment property as at March 31, 2025 is ₹ 3639.50 crore (previous year: ₹ 6024.49 crore).
- The fair values of investment property have been determined by internal architectural department or independent valuer, as appropriate. Fair value of property that are evaluated by registered independent valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, amounted to ₹ 1803.57 crore. (previous year: ₹ 2855.87 crore). Valuation is based on government rates, market research, market trend and comparable values as considered appropriate.
- Impairment on Investment property under construction recognised in the Statement of Profit and Loss during the year is Nil (previous year: Nil).
- Ageing of Investment property under construction

₹ crore

Particulars	As at 31-3-2025					As at 31-3-2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	191.14	166.85	104.14	39.17	501.30	60.68	12.21	8.32	173.72	254.93

As on the date of balance sheet, there is no Investment property under construction whose completion is overdue or has exceeded the cost, based on the approved plan.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [4]

### Goodwill

₹ crore

Class of assets	Cost				Impairment		Book value
	As at 1-4-2024	Business combination	Foreign currency fluctuation	Deductions	As at 31-3-2025	As at 31-3-2025	As at 31-3-2025
Goodwill on consolidation	7848.98	535.90	11.70	–	8396.58	48.10	8348.48

Note: Impairment recognised in the Statement of Profit and Loss during the year: Nil (previous year: Nil).

₹ crore

Class of assets	Cost			Impairment		Book value
	As at 1-4-2023	Foreign currency fluctuation	Deductions	As at 31-3-2024	As at 31-3-2024	As at 31-3-2024
Goodwill on consolidation	7848.57	6.05	5.64	7848.98	48.10	7800.88

Note: Impairment recognised in the Statement of Profit and Loss during the year: Nil (previous year: Nil).

### Segment wise Goodwill

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Energy Projects	121.86	121.86
IT & Technology Services	7909.70	7362.10
Development Projects	208.19	208.19
Others	108.73	108.73
<b>Total</b>	<b>8348.48</b>	<b>7800.88</b>

The Goodwill impairment testing is performed at the level of the cash generating unit which represents the smallest identifiable group of assets that generates independent cash flows. The impairment testing is performed annually or whenever there is an indication that the cash generating unit to which the Goodwill has been allocated may be impaired. Refer Note 1[III](o) for policy on impairment of assets.

In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. Key assumptions on which management has based its determination of value-in-use includes estimated growth rates (including terminal growth rates) and discount rates. In circumstances where a reliable value-in-use estimate is difficult to make and market value of the asset or the cash generating unit is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, as applicable. Cash flow projections are usually considered for next five years except in case of service concession arrangement covering the concession period. Cash flows projections beyond the five-year period are extrapolated using terminal growth rates.

## NOTE [5]

### Other Intangible assets and Intangible assets under development

₹ crore

Class of assets	Cost						Amortisation							Impairment **		Book value
	As at 1-4-2024	Business combination	Additions	Foreign currency fluctuation	Transfer *	Deductions	As at 31-3-2025	Up to 31-3-2024	Business combination	For the period	Foreign currency fluctuation	Transfer *	Deductions	Up to 31-3-2025	Up to 31-3-2025	As at 31-3-2025
Fare collection rights	16664.06	—	4.57	—	—	—	16668.63	1273.48	—	278.81	—	—	—	1552.29	—	15116.34
Specialised software	2148.55	36.84	173.07	(0.92)	(4.73)	94.41	2258.40	1829.84	19.18	222.52	(1.25)	(2.96)	96.39	1970.94	0.02	287.44
Technical know-how	174.33	25.19	9.54	—	—	4.72	204.34	126.45	24.90	27.17	—	—	—	178.52	0.29	25.53
Trade names	306.14	141.74	—	0.13	(5.42)	3.86	438.73	306.14	—	11.47	0.13	(5.42)	3.86	308.46	—	130.27
New Product Design and Development	7.45	—	—	—	—	0.82	6.63	6.70	—	0.09	—	—	0.45	6.34	—	0.29
Customer contracts and relationship	3394.62	234.64	—	1.05	10.15	35.52	3604.94	1905.27	—	305.02	0.90	8.38	35.51	2184.06	—	1420.88
Rights under licensing agreement	141.82	—	—	3.48	—	—	145.30	74.74	—	47.82	2.35	—	—	124.91	—	20.39
Platforms and Courses	122.81	—	12.81	—	—	3.18	132.44	52.65	—	31.34	—	—	1.17	82.82	—	49.62
Non-Compete agreement	—	1.59	—	—	—	0.01	1.58	—	1.38	—	—	—	0.01	1.37	0.21	—
Total	22959.78	440.00	199.99	3.74	—	142.52	23460.99	5575.26	45.46	924.24	2.13	—	137.39	6409.71	0.52	17050.76
Add: Intangible assets under development	147.97	—	90.54	(3.45)	—	37.24	197.82	—	—	—	—	—	—	—	—	197.82
																17248.58

\* Transfer within other intangible assets

\*\* on account of acquisition of L&T Special Steels and Heavy Forgings Private Limited

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [5] (contd.)

₹ crore

Class of assets	Cost				Amortisation				Book value		
	As at 1-4-2023	Additions	Foreign currency fluctuation	Deductions	As at 31-3-2024	Up to 31-3-2023	For the period	Foreign currency fluctuation	Deductions	Up to 31-3-2024	As at 31-3-2024
Fare collection rights	16675.53	12.55	—	24.02	16664.06	994.53	278.95	—	—	1273.48	15390.58
Specialised software	1942.79	201.96	9.63	5.83	2148.55	1594.29	230.75	9.53	4.74	1829.84	318.71
Technical know-how	120.66	53.66	—	—	174.33	104.34	22.11	—	—	126.45	47.87
Trade names	306.06	—	0.08	—	306.14	305.86	—	0.28	—	306.14	—
New Product Design and Development	8.22	0.73	—	1.50	7.45	7.85	0.17	—	1.32	6.70	0.75
Customer contracts and relationship	3390.98	—	3.64	—	3394.62	1599.51	300.48	5.28	—	1905.27	1489.35
Rights under licensing agreement	139.70	—	2.12	—	141.82	50.34	23.46	0.94	—	74.74	67.08
Platforms and Courses	105.38	17.43	—	—	122.81	24.62	28.03	—	—	52.65	70.17
<b>Total</b>	<b>22689.32</b>	<b>286.33</b>	<b>15.48</b>	<b>31.35</b>	<b>22959.78</b>	<b>4681.34</b>	<b>883.95</b>	<b>16.03</b>	<b>6.06</b>	<b>5575.26</b>	<b>17384.52</b>
Add: Intangible assets under development	116.48	162.42	0.43	131.36	147.97	—	—	—	—	—	147.97
											<b>17248.58</b>

\* Transfer within other intangible assets

### Notes:

#### (a) Details of addition in other intangible assets:

₹ crore

Class of assets	2024-25			2023-24		
	Internal development	Acquired - external	Total	Internal development	Acquired - external	Total
Fare collection Rights	—	4.57	4.57	—	12.55	12.55
Specialised Software	71.63	101.44	173.07	82.46	119.50	201.96
Technical Know-how	—	9.54	9.54	—	53.66	53.66
New Product Design and Development	—	—	—	—	0.73	0.73
Platforms and Courses	7.01	5.80	12.81	16.22	1.21	17.43
<b>Total</b>	<b>78.64</b>	<b>121.35</b>	<b>199.99</b>	<b>98.68</b>	<b>187.65</b>	<b>286.33</b>

#### (b) Ageing of Intangible assets under development

₹ crore

Particulars	As at 31-3-2025					As at 31-3-2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	117.89	31.15	41.26	7.52	197.82	98.24	22.65	19.28	7.80	147.97

As on the date of balance sheet, there is no Intangible assets under development whose completion is overdue or has exceeded the cost, based on the approved plan.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [5] (contd.)

#### Notes:

(1) Borrowing cost capitalised in accordance with Ind AS 23 "Borrowing Costs" is as follows:

₹ crore

Class of Assets	2024-25	2023-24
Capital work-in-progress		
Property, plant and equipment - building	55.23	52.30
Investment property under construction	10.15	–
<b>Total</b>	<b>65.38</b>	<b>52.30</b>

(2) The average borrowing cost used for capitalisation is 7.59% (previous year : 7.29%).

### NOTE [6]

#### Non-current assets: Financial assets - Other investments

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Equity shares	211.23	124.31
Preference shares	150.75	165.24
Government and trust securities	2100.97	1761.71
Debentures and bonds	440.01	477.76
InvITs	150.00	–
Security receipts	5862.44	6769.51
Units of fund	22.23	27.37
Other investments <sup>[1]</sup>	188.60	100.04
	<b>9126.23</b>	<b>9425.94</b>

<sup>[1]</sup> Other investments comprises of Investment in Corporate deposits.

### NOTE [7]

#### Non-current assets: Financial assets - Loans towards financing activities

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Considered good - secured	39050.58	28259.85
Less : Allowance for expected credit loss	1107.03	46.82
	<b>37943.55</b>	<b>28213.03</b>
Considered good - unsecured	26823.42	24369.91
Less : Allowance for expected credit loss	378.91	518.06
Less : Impairment	1932.39	1932.39
	<b>24512.12</b>	<b>21919.46</b>
Having significant increase in credit risk	352.16	1870.76
Less : Allowance for expected credit loss	100.31	327.40
	<b>251.85</b>	<b>1543.36</b>
Credit impaired	1366.58	2270.91
Less : Allowance for expected credit loss	1226.75	1792.00
	<b>139.83</b>	<b>478.91</b>
	<b>62847.35</b>	<b>52154.76</b>

## Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [8]**
**Non-current assets: Financial assets - Other loans**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Loans and advances to related parties		
Joint ventures and associates, considered good - unsecured	219.21	1319.17
Less: Allowance for expected credit loss	—	1139.08
	219.21	180.09
Considered good - unsecured	304.98	511.75
Less: Allowance for expected credit loss	175.23	216.38
	129.75	295.37
	348.96	475.46

**NOTE [9]**
**Non-current assets: Financial assets - Others**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Security deposits		
Considered good - unsecured	485.82	487.99
Less: Allowance for expected credit loss	—	—
	485.82	487.99
Considered doubtful	43.48	41.66
Less: Allowance for expected credit loss	43.48	41.66
	—	—
Cash and bank balances not available for immediate use	131.12	194.91
Fixed deposits with banks (maturity more than 12 months)	225.44	478.52
Forward contract receivables	469.18	757.59
Embedded derivative receivables	41.55	11.94
Other receivables <sup>[1]</sup>	509.93	21.13
	1863.04	1952.08

<sup>[1]</sup> Mainly includes receivables towards litigation matters

**NOTE [10]**
**Other non-current assets**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Capital advances:		
Secured	4.75	4.21
Unsecured	406.27	76.20
	411.02	80.41
Advance recoverable other than in cash <sup>[1]</sup>	2248.76	2076.14
	2659.78	2156.55

<sup>[1]</sup> Mainly includes indirect tax balances

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [11]

#### Current assets: Inventories

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Raw materials [include goods-in-transit ₹ 34.65 crore (previous year: ₹ 65.39 crore)]	669.98	840.58
Components [include goods-in-transit ₹ 10.42 crore (previous year: ₹ 12.48 crore)]	434.63	466.95
Construction materials [include goods-in-transit ₹ 30.45 crore (previous year: ₹ 119.58 crore)]	240.56	409.75
Manufacturing work-in-progress	373.82	347.81
Finished goods	139.77	85.13
Stock-in-trade (in respect of goods acquired for trading) [include goods-in-transit ₹ 88.08 crore (previous year: ₹ 53.45 crore)]	470.16	228.30
Stores and spares [include goods-in-transit ₹ 6.90 crore (previous year: ₹ 2.56 crore)]	390.97	299.41
Loose tools [include goods-in-transit ₹ 0.02 crore (previous year: ₹ Nil)]	10.75	9.36
Property development projects (including land)	4939.91	3932.90
	<u>7670.55</u>	<u>6620.19</u>

Note: During the year ₹ 10.28 crore (previous year: ₹ 24.76 crore) was recognised as expense towards write-down of inventories (net).

### NOTE [12]

#### Current assets: Financial assets - Investments

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Equity shares	10.23	16.14
Preference shares	53.02	–
Government and trust securities	11787.00	6747.58
Debentures and bonds	8279.34	6713.72
Mutual funds	14516.71	11387.59
Collateral borrowing and lending obligation (CBLO)	299.95	699.87
Commercial Paper	589.82	937.25
InvITs	4178.97	2694.57
Treasury bills and other investments	3645.58	5760.91
	<u>43360.62</u>	<u>34957.63</u>

### NOTE [13]

#### Current assets: Financial assets - Trade receivables

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Considered good - secured	18.38	13.05
Considered good - unsecured	58448.85	53103.21
Less: Allowance for expected credit loss	<u>4753.55</u>	<u>4353.75</u>
	53695.30	48749.46
Credit impaired	213.20	248.34
Less: Allowance for expected credit loss	<u>213.20</u>	<u>239.90</u>
	–	8.44
	<u>53713.68</u>	<u>48770.95</u>

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [13][a]**
**Current assets: Financial assets - Trade receivables ageing**

₹ crore

Particulars	As at 31-3-2025						Total
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed:							
- Considered good	33897.53	12921.76	2645.75	4103.16	1066.06	2622.49	57256.75
- Credit impaired	–	1.22	–	18.44	2.60	26.15	48.41
Disputed:							
- Considered good	107.76	0.22	23.02	46.41	103.56	929.51	1210.48
- Credit impaired	–	–	–	–	–	164.79	164.79
Gross trade receivables	34005.29	12923.18	2668.77	4168.01	1172.22	3742.94	58680.43
Less: Allowance for expected credit loss							4966.75
							53713.68

₹ crore

Particulars	As at 31-3-2024						Total
	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>							
- Considered good	29895.27	12893.57	2748.51	2007.31	1360.25	2481.88	51386.79
- Credit impaired	–	10.72	11.20	2.90	8.62	50.02	83.46
<b>Disputed:</b>							
- Considered good	105.90	253.84	0.33	141.00	10.91	1217.49	1729.47
- Credit impaired	–	–	–	–	–	164.88	164.88
Gross trade receivables	30001.17	13158.13	2760.04	2151.21	1379.78	3914.27	53364.60
Less: Allowance for expected credit loss							4593.65
							48770.95

**NOTE [14]**
**Current assets: Financial assets - Cash and cash equivalents**

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Balance with banks	8595.35	8536.70
Cheques and drafts on hand	677.71	520.18
Cash on hand	7.18	7.17
Fixed deposits with banks (maturity less than 3 months)	2906.76	2894.45
	12187.00	11958.50

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [15]

#### Current assets: Financial assets - Other bank balances

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Fixed deposits with banks	5046.39	1716.13
Earmarked balances with banks - unclaimed dividend	146.52	137.16
Earmarked balances with banks - Section 4(2)(I)(D) of RERA <sup>[1]</sup>	11.52	12.85
Earmarked balances with banks - others	375.20	175.23
Margin money deposits with banks	4726.21	941.61
Cash and bank balances not available for immediate use	472.50	416.91
	<u>10778.34</u>	<u>3399.89</u>

<sup>[1]</sup> Real Estate (Regulation and Development) Act, 2016

### NOTE [16]

#### Current Assets: Financial Assets - Loans towards financing activities

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Considered good - secured	15111.86	15320.61
Less : Allowance for expected credit loss	156.87	33.28
Less : Net fair value changes	451.66	330.42
	<u>14503.33</u>	<u>14956.91</u>
Considered good - unsecured	21864.30	19225.57
Less : Allowance for expected credit loss	483.81	726.08
Less : Impairment	56.25	56.25
	<u>21324.24</u>	<u>18443.24</u>
Having significant increase in credit risk	333.46	1418.88
Less : Allowance for expected credit loss	83.52	94.55
Less : Net fair value changes	—	91.83
	<u>249.94</u>	<u>1232.50</u>
Credit Impaired	—	427.07
Less : Net fair value changes	—	245.13
	<u>—</u>	<u>181.94</u>
	<u>36077.51</u>	<u>34814.59</u>

### NOTE [17]

#### Current assets: Financial assets - Other loans

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Loans and advances to related parties		
Considered good - unsecured	0.29	26.94
Others loans		
Considered good - unsecured	489.74	79.60
Less : Allowance for expected credit loss	73.18	—
Considered good - unsecured	<u>416.56</u>	<u>79.60</u>
	<u>416.85</u>	<u>106.54</u>



# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [18]**
**Current assets: Financial assets - Others**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Security deposits		
Considered good - unsecured	744.19	685.25
Less: Allowance for expected credit loss	0.76	0.76
	743.43	684.49
Receivables from related parties:		
Joint ventures	105.39	107.03
Fixed Deposit (existing maturity less than 12 months)	140.01	—
Forward contract receivables	691.09	407.38
Unbilled Revenue	1898.23	1416.41
Embedded derivative receivables	264.81	158.39
Doubtful advances:		
Deferred credit sale of ships	27.11	27.11
Other loans and advances	181.97	192.16
	209.08	219.27
Less: Allowance for expected credit loss	209.08	219.27
	—	—
Other recoverables <sup>[1]</sup>	1576.93	2790.22
	5419.89	5563.92

<sup>[1]</sup> Mainly includes receivables from joint operators and other parties

**NOTE [19]**
**Other current assets**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Contract assets [Note 47(d)(i)]		
Unbilled revenue	46517.69	46439.63
Retention money	15108.45	14194.43
	61626.14	60634.06
Advance recoverable other than in cash <sup>[1]</sup>	13913.95	10744.85
Government grant receivable	19.74	12.12
Other loans and advances	6.64	0.99
Less: Allowance for expected credit loss	6.64	0.99
	—	—
	75559.83	71391.03

<sup>[1]</sup> Mainly includes advances to suppliers and indirect tax balances

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [20]

#### Equity share capital

##### (a) Share capital authorized, issued, subscribed and paid up:

Particulars	As at 31-3-2025		As at 31-3-2024	
	Number of shares	₹ crore	Number of shares	₹ crore
<b>Authorised <sup>[1]</sup></b>				
Equity shares of ₹ 2 each	40,37,25,00,000	8074.50	40,18,50,00,000	8037.00
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of ₹ 2 each	1,37,51,92,165	275.04	1,37,46,68,619	274.93

<sup>[1]</sup> Pursuant to the approval of Scheme of Amalgamation of merger of L&T Energy Hydrocarbon Engineering Limited ("LTEHE") and L&T Offshore Private Limited ("LTOPL") with the Company, the authorised share capital of both LTEHE and LTOPL is added to the share capital of the Company with effect from appointed date April 1, 2024.

##### (b) Reconciliation of the number of equity shares and share capital:

Particulars	As at 31-3-2025		As at 31-3-2024	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid-up equity share outstanding at the beginning of the year	1,37,46,68,619	274.93	1,40,54,82,190	281.10
Add: Shares issued on exercise of employee stock options during the year	5,23,546	0.11	4,36,429	0.08
Less: Shares extinguished on buy-back	–	–	3,12,50,000	6.25
Issued, subscribed and fully paid-up equity shares outstanding at the end of the year	1,37,51,92,165	275.04	1,37,46,68,619	274.93

##### (c) Terms/rights attached to equity shares:

The company has only one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

##### (d) Shareholders holding more than 5% of equity shares as at the end of the year:

Name of the shareholders	As at 31-3-2025		As at 31-3-2024	
	Number of shares	Shareholding %	Number of shares	Shareholding %
L&T Employees Trust	19,48,87,516	14.17	19,48,87,516	14.18
Life Insurance Corporation of India	18,01,42,821	13.10	15,17,12,116	11.04

Note: The Company's Promoter shareholding as on March 31, 2025 is NIL (previous year: NIL).

##### (e) Shares reserved for issue under options outstanding on un-issued share capital:

Particulars	As at 31-3-2025		As at 31-3-2024	
	Number of equity shares to be issued as fully paid	₹ crore (at face value)	Number of equity shares to be issued as fully paid	₹ crore (at face value)
Employee stock options granted and outstanding <sup>[1]</sup>	10,77,384	0.22 <sup>[2]</sup>	16,29,198	0.33 <sup>[2]</sup>

<sup>[1]</sup> Note 20(i) below for terms of employee stock option schemes

<sup>[2]</sup> The equity shares will be issued at a premium of ₹ 17.34 crore (previous year: ₹ 27.41 crore)

(f) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2025 are NIL (previous period of five years ended March 31, 2024: NIL).

(g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding five years ended on March 31, 2025 are NIL (previous period of five years ended March 31, 2024: NIL).

(h) The aggregate number of fully paid up equity shares bought back in immediately preceding five years ended March 31, 2025 are 3,12,50,000 (previous period of five years ended March 31, 2024: 3,12,50,000 shares).

(i) Stock option scheme of the Parent Company:

(A) Terms:

- The grant of options to the employees under the stock option schemes is on the basis of their performance and other eligibility criteria. The options are vested equally over a period of 4 years [5 years in the case of series 2006(A)], subject to the discretion of the management and fulfillment of certain conditions.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [20] (contd.)

- ii. Options can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of issue of equity shares. Management has discretion to modify the exercise period.

(B) The details of the grants under the aforesaid schemes are summarized below:

Sr. No.	Series reference	2003(B)		2006(A)		2006(B)	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
i.	Grant price (₹)	7.80	7.80	267.10	267.10	267.10	267.10
ii.	Grant dates	23-5-2003 onwards		1-7-2007 onwards		8-7-2023 onwards	
iii.	Vesting commences on	23-5-2004 onwards		1-7-2008 onwards		8-7-2024 onwards	
iv.	Options granted and outstanding at the beginning of the year	608,486	214,553	547,652	960,021	473,060	—
v.	Options lapsed	6,837	20,995	26,235	53,320	8,800	5,600
vi.	Options granted	11,108	492,308	—	—	2,496	478,660
vii.	Options exercised	179,843	77,380	245,087	359,049	98,616	—
viii.	Options granted and outstanding at the end of the year, of which	432,914	608,486	276,330	547,652	368,140	473,060
	Options vested	18,519	12,880	149,744	238,138	19,249	—
	Options yet to vest	414,395	595,606	126,586	309,514	348,891	473,060
ix.	Weighted average remaining contractual life of options (in years)	5.02	5.78	2.35	2.97	5.31	6.31

(C) The number and weighted average exercise price of stock options are as follows:

Particulars	2024-25		2023-24	
	No. of stock options	Weighted average exercise price (₹)	No. of stock options	Weighted average exercise price (₹)
(A) Options granted and outstanding at the beginning of the year	1,629,198	170.25	1,174,574	219.74
(B) Options granted	13,604	55.38	970,968	135.63
(C) Options allotted	523,546	178.03	436,429	221.13
(D) Options lapsed	41,872	224.76	79,915	198.98
(E) Options granted and outstanding at the end of the year	1,077,384	162.91	1,629,198	170.25
(F) Options exercisable at the end of the year out of (E) above	187,512	241.49	251,018	253.80

- (D) Weighted average share price at the date of exercise for stock options exercised during the year is ₹ 3493.67 (previous year: ₹ 2945.59) per share.
- (E) The fair value of the options granted under the stock option scheme is treated as discount and accounted as employee compensation over the vesting period.
- (F) Weighted average fair values of options granted during the year is ₹ 3205.92 (previous year: ₹ 2314.37) per option.
- (G) The fair value of the options granted during the year has been calculated using the Black-Scholes Option Pricing Model using the following significant assumptions and inputs:

Sr. No.	Particulars	2024-25	2023-24
i.	Weighted average risk-free interest rate	6.78%	7.05%
ii.	Weighted average expected life of options	2.91 Years	2.75 Years
iii.	Weighted average expected volatility	21.64%	18.64%
iv.	Weighted average expected dividends over the life of the options	₹ 81.38 per option	₹ 65.90 per option
v.	Weighted average share price	₹ 3317.04 per option	₹ 2479.86 per option
vi.	Weighted average exercise price	₹ 55.38 per option	₹ 135.63 per option
vii.	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the company's share price applicable to the total expected life of each option.	

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [20] (contd.)

#### (j) Stock option scheme of subsidiary companies:

##### (A) LTIMindtree Limited

The Nomination and Remuneration Committee ('NRC') administers all stock option plans through a trust established specifically for this purpose, called the LTIMindtree Employee Welfare Trust (formerly Mindtree Employee Welfare Trust) ('ESOP Trust').

##### (i) Employee Stock Option Scheme 2015 (ESOS 2015)

Shares are granted to employees at an exercise price of not less than ₹ 1 per equity share or such higher price as determined by the Board but shall not exceed the market price as defined in the Regulations. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding 5 years from the date of the grant. These options are exercisable within 7 years from the date of grant. These options are exercisable within 7 years from the date of grant.

(a) The details of the grant under the aforesaid scheme is summarized below:

Sr. No.	Particulars	ESOS 2015	
		2024-25	2023-24
i.	Grant price	₹ 1	₹ 1
ii.	Grant dates	10-6-2016 onwards	
iii.	Vesting commences on	10-6-2017 onwards	
iv.	Options granted and outstanding at the beginning of the year	6,41,976	9,27,942
v.	Options lapsed/cancelled	85,390	1,60,172
vi.	Options granted	86,392	30,872
vii.	Options exercised	2,16,630	1,56,666
viii.	Options granted and outstanding at the end of the year, of which	4,26,348	6,41,976
	Options vested	88,956	1,32,537
	Options yet to vest	3,37,392	5,09,439
ix.	Weighted average remaining contractual life of options (in years)	4.86	5.35

(b) Weighted average share price at the date of exercise for stock options exercised during the year is ₹ 5549 per share (previous year: ₹ 5298 per share).

(c) The fair value of the options granted during the year has been calculated using the Black-Scholes Option Pricing Model using the following significant assumptions and inputs:

Sr. No.	Particulars	2024-25	2023-24
i.	Weighted average risk-free interest rate	6.74%	7.12%
ii.	Weighted average expected life of options	2.5 Years	2.5 years
iii.	Weighted average expected volatility	29.15%	32.98%
iv.	Weighted average expected dividends over the life of the options	₹ 213.40	₹ 205.59
v.	Weighted average share price	₹ 5,321	₹ 4,970
vi.	Weighted average exercise price	₹ 1	₹ 1
vii.	Weighted average fair value of options	₹ 5,319	₹ 4,969
viii.	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the company's share price	

##### (ii) Employee Restricted Stock Purchase Plan 2012 (ERSP 2012)

ERSP 2012 was instituted with effect from July 16, 2012 to issue equity shares of nominal value of ₹ 1 each. Shares under this program are granted to employees at an exercise price of not less than ₹ 10 per equity share or such higher price as determined by the Nomination and Remuneration Committee. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding ten years from the date of the grant. All shares will have a minimum lock in period of one year from the date of allotment. During the year ended March 31, 2024, the term of ERSP 2012 ended and there were no outstanding options under the said scheme. During the year ended March 31, 2024, the term of ERSP 2012 ended and there were no outstanding options under the said scheme.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [20] (contd.)

(a) The details of the grant under the aforesaid scheme is summarised below:

Sr. No.	Particulars	ERSP 2012	
		2024-25	2023-24
i.	Grant price	₹ 10	₹ 10
ii.	Grant dates	24-7-2019 onwards	
iii.	Vesting commences on	24-7-2020 onwards	
iv.	Options granted and outstanding at the beginning of the year	—	7,409
v.	Options lapsed	—	—
vi.	Options granted	—	—
vii.	Options exercised	—	7,409
viii.	Options granted and outstanding at the end of the year, of which	—	—
	Options vested	—	—
	Options yet to vest	—	—
ix.	Weighted average remaining contractual life of options (in years)	—	—

(iii) Employee Stock Option Plan 2021 (ESOP 2021)

On May 22, 2021, the shareholders of the Company have approved the Employee Stock Option Plan 2021 ('ESOP 2021') for the issue of upto 20,00,000 options (including the unutilised options under ERSP 2012) to employees of the Company.

The Nomination & Remuneration Committee ('NRC') shall determine the exercise price which will not be less than the face value of the shares. Options under this program are granted to employees at an exercise price periodically determined by the NRC. All stock options have a four-year vesting term. These options are exercisable within 6 years from the date of vesting.

(a) The details of the grant under the aforesaid scheme is summarised below:

Sr. No.	Particulars	Series A		Series B	
		2024-25	2023-24	2024-25	2023-24
i.	Grant price	₹ 10	₹ 10	₹ 3268	₹ 3268
ii.	Grant dates	9-8-2021 onwards		9-8-2021 onwards	
iii.	Vesting commences on	9-8-2022 onwards		9-8-2021 onwards	
iv.	Options granted & outstanding at the beginning of the year	91,948	1,71,624	86,959	1,01,141
v.	Options lapsed	9,587	46,412	7,380	9,168
vi.	Options granted	—	—	—	—
vii.	Options exercised	35,848	33,264	11,369	5,014
viii.	Options granted and outstanding at the end of the year, of which	46,513	91,948	68,210	86,959
	Options vested	18,768	23,707	48,389	41,128
	Options yet to vest	27,745	68,241	19,821	45,831
ix.	Weighted average remaining contractual life of options (in years)	5.8	6.0	5.2	6.0

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [20] (contd.)

(B) L&T Technology Services Limited

(i) Employee stock option plan (ESOP)

- (a) ESOP Scheme 2016, include Series A, in which the options are vested equally over a period of 5 years and Series B, in which the options are vested equally over period of 4 years, subject to the discretion of the management and fulfillment of certain conditions.
- (b) The exercise period for the options granted under the ESOP Scheme, 2016 would be seven years from the date of grant of options or six years from the date of first vesting or three years from the date of retirement/death, whichever is earlier, subject to any change as may be approved by the Board. The exercise price may be decided by the Board, in such manner, during such period, in one or more tranches and on such terms and conditions as it may deem fit, provided that the exercise price per option shall not be less than the par value of the equity share of company and shall not be more than the market price as defined in the SEBI (Share Based Employee Benefits) Regulations, 2021 and shall be subject to compliance with accounting policies under the said regulation. The number of shares to be allotted on exercise of options should not exceed the total number of unexercised vested options that may be exercised by the employee. Details of grant under ESOP Scheme, 2016 is summarised below:

Sr. No.	Particulars	ESOP Scheme, 2016	
		2024-25	2023-24
i.	Grant price	₹ 2	₹ 2
ii.	Grant dates	28-7-2016 onwards	
iii.	Vesting commences on	28-7-2017 onwards	
iv.	Options granted and outstanding at the beginning of the year	3,60,550	5,14,250
v.	Options lapsed	10,900	24,400
vi.	Options granted	80,200	16,400
vii.	Options exercised	1,25,851	1,45,700
viii.	Options granted and outstanding at the end of the year, of which	3,03,999	3,60,550
	Options vested	39,399	47,150
	Options yet to vest	2,64,600	3,13,400
ix.	Weighted average remaining contractual life of options (in years)	2.80	2.89

- (c) Weighted average share price at the date of exercise for stock options exercised during the year is ₹ 5029.55 per share (previous year: ₹ 4320.68 per share).
- (d) In respect of stock options granted pursuant to the company's stock options schemes, the fair value of the options is treated as discount and accounted as employee compensation over the vesting period.
- (e) There were 80,200 new options granted during the year ended March 31, 2025. The fair value at grant date of options granted during the year ₹ 5069.76 & ₹ 5242.38 (previous year: ₹ 3369.55). The fair value at grant date is determined using the Black-Scholes Option Pricing Model which takes into account the exercise price, term of option, share price at

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [20] (contd.)

grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The model inputs for options granted during the year included:

Sr. No.	Particulars	2024-25		2023-24
i.	Weighted average exercise price	2	2	₹ 2
ii.	Grant date	25-Apr-24	16-Oct-24	26-Apr-23
iii.	Expiry date	25-Apr-31	16-Oct-31	25-Apr-30
iv.	Weighted average share price at grant date	₹ 5,182.85 per option	₹ 5,356.90 per option	₹ 3447.00 per option
v.	Weighted average expected price volatility of company's share	29.32%	28.20%	39.00%
vi.	Weighted average expected dividend yield over life of option	2.64%	2.56%	2.65%
vii.	Weighted average risk-free interest	7.15%	6.69%	6.96%
viii.	Method used to determine expected volatility	The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility based on publicly available information.		

#### (C) L&T Finance Limited

The company has formulated Employee Stock Option Schemes 2010 (Scheme 2010) and 2013 (Scheme 2013). The grant of options to the employees under the stock option schemes is on the basis of their performance and other eligibility criteria. The options allotted under the Scheme 2010 are vested over a period of four years in the ratio of 15%, 20%, 30% and 35% respectively from the end of 12 months from the date of grant, subject to the discretion of the management and fulfillment of certain conditions. The options granted under the Scheme 2013 are vested in a graded manner over a period of four years with 0%, 33%, 33% and 34% of grants vesting each year, commencing from the end of 24 months from the date of grant or w.e.f. July 10, 2019 vested in a graded manner over a period of four years with 25%, 25%, 25% and 25% of grants vesting each year, commencing from the end of 12 months from the date of grant.

(i) The details of the grants are summarised below:

Sr. No.	Particulars	Scheme 2010		Scheme 2013	
		2024-25	2023-24	2024-25	2023-24
i.	Grant Price	₹ 44.20		₹ 10.00 <sup>[1]</sup> /Market Price	
ii.	Options granted & outstanding at the beginning of the year	65,000	5,63,750	2,22,60,003	2,75,38,744
iii.	Options lapsed	—	—	7,82,948	32,49,742
iv.	Options granted	—	—	21,40,000	67,41,444
v.	Options exercised	65,000	4,98,750	58,62,791	87,70,443
vi.	Options granted and outstanding at the end of the year, of which				
	Options vested	—	65,000	90,47,375	1,13,32,467
	Options yet to vest	—	—	87,06,889	1,09,27,536
vii.	Weighted average remaining contractual life of options (in years)	—	0.75	4.80	4.18

<sup>[1]</sup> w.e.f. from July 10, 2019

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [20] (contd.)

- (ii) Weighted average fair values of options granted during the year is ₹ 142.71 (Previous year: ₹ 118.74) per options.
- (ii) The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Sr. No.	Particulars	2024-25	2023-24
i.	Weighted average risk-free interest rate	6.99%	7.20%
ii.	Weighted average expected life of options	3 years	2.77 years
iii.	Weighted average expected volatility	36.78%	36.53%
iv.	Weighted average expected dividends (₹)	7.49 per option	5.54 per option
v.	Weighted average share price (₹)	156.80 per option	131.38 per option
vi.	Weighted average exercise price (₹)	10 per option	10 per option
vii.	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the company's shares price applicable to the expected life of each option.	

### (k) Capital Management Note

The Company continues its policy of a conservative capital structure which has ensured that it retains the highest credit rating even amidst an adverse economic environment. Low gearing levels also enable the Company to navigate business challenges on one hand and raise growth capital on the other. This policy also provides flexibility of fund-raising options for future, which is especially important in times of global economic volatility. The gross debt equity ratio is 1.12:1 as at March 31, 2025 (as at March 31, 2024: 1.11:1).

During the previous year ended March 31, 2024, the shareholders had approved the proposal of buyback of equity shares of the Company, as recommended by its Board of Directors. The settlement of all valid bids and extinguishment of equity shares bought back were completed on September 28, 2023.

Accordingly, the Company has bought back 3,12,50,000 equity shares of face value of ₹ 2 each, representing 2.22% of the number of equity shares in the paid-up share capital, at a price of ₹ 3,200 per share aggregating to ₹ 10,000 crore. Consequently, the equity share capital stands reduced by ₹ 6.25 crore. The premium on buyback of ₹ 9993.75 crore, transaction cost (net of tax) with respect to the buyback of ₹ 26.37 crore and the tax on buyback of ₹ 2253.33 crore have been adjusted against securities premium account and free reserves.

During the year ended March 31, 2025, the Company paid the final dividend of ₹ 28 per equity share for the year ended March 31, 2024 amounting to ₹ 3849.57 crore.

The Board of directors, at their meeting held on May 8, 2025 recommended the final dividend of ₹ 34 per equity share for the year ended March 31, 2025 subject to approval from shareholders. On approval, the total dividend outgo is expected to be ₹ 4675.65 crore based on number of shares outstanding as at March 31, 2025.



# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [21]**
**Other equity**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Capital reserve [Note 1(II)(g)]		
Capital reserve	10.52	10.52
Capital reserve on consolidation	271.92	271.92
	282.44	282.44
Capital redemption reserve <sup>[1]</sup>	335.11	335.11
Securities premium [Note 1(II)(u)]	138.43	50.56
Employee share options (net) [Note 1(II)(x)]		
Employee share options outstanding	666.63	839.15
Deferred employee compensation expense	(167.27)	(288.61)
	499.36	550.54
Statutory reserves		
Debenture redemption reserve <sup>[2]</sup>	3.12	3.12
Reserve u/s 45-IC of the Reserve Bank India Act, 1934 <sup>[3]</sup>	3657.25	3133.69
Reserve u/s 29C of the National Housing Bank Act, 1987 <sup>[4]</sup>	11.09	11.09
Reserve u/s 36(1)(viii) of the Income-tax Act, 1961 <sup>[5]</sup>	1061.27	1051.27
Impairment reserve as per Reserve Bank of India <sup>[6]</sup>	32.39	32.39
	4765.12	4231.56
Retained earnings	89974.25	79489.69
Foreign currency translation reserve [Note 1(II)(y)(iv)]	889.98	790.67
Hedging reserve [Note 1(II)(r)(iii)(B)]		
Cash flow hedging reserve	112.98	279.01
Cost of hedging reserve	138.35	(4.67)
	251.33	274.34
Debt instruments through Other comprehensive income [Note 1(II)(r)(i)(B)]	244.54	8.12
Equity instruments through Other comprehensive income [Note 1(II)(r)(i)(B)]	—	71.28
	97380.56	86084.31

<sup>[1]</sup> Capital redemption reserve: Created on:

- Buyback of equity shares out of free reserves and securities premium in accordance with Section 69 of the Companies Act, 2013
- Redemption of preference shares out of profits in accordance with Section 55(2)(c) of the Companies Act, 2013.

<sup>[2]</sup> Debenture redemption reserve: Created on non-convertible debentures in accordance with the Companies (Share capital and Debenture) Rules, 2014 (as amended).

<sup>[3]</sup> Reserve u/s-45 IC of the Reserve Bank of India Act, 1934: Created by subsidiary(ies) by transferring amount not less than twenty per cent of its net profit every year.

<sup>[4]</sup> Reserve u/s 29C of the National Housing Bank Act, 1987: Created by subsidiary(ies) by transferring amount not less than twenty per cent of its net profit every year.

<sup>[5]</sup> Reserve u/s 36(1)(viii) of Income tax Act, 1961: Created by subsidiary(ies) by transferring an amount not exceeding twenty percent of the profits derived from eligible business every year.

<sup>[6]</sup> Impairment reserve as per Reserve Bank of India: Created pursuant to circular issued by Reserve Bank of India where impairment allowance as per Ind AS 109 is lower than the provisioning required as per extant prudential norms.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [22]

#### Non-current liabilities: Financial liabilities - Borrowings

Particulars	As at 31-3-2025			As at 31-3-2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Redeemable non-convertible fixed rate debentures	20363.91	9906.71	30270.62	26242.71	11577.02	37819.73
Term loans from banks	23741.26	–	23741.26	12757.14	2138.92	14896.06
Term loans from others	–	341.41	341.41	–	318.09	318.09
Loans from financial institutions	3150.05	–	3150.05	3473.09	–	3473.09
	47255.22	10248.12	57503.34	42472.94	14034.03	56506.97

Notes:

(a) Loans guaranteed by directors: ₹ Nil (previous year: ₹ Nil)

(b) Non-convertible debentures and borrowings from banks and financial institutions are secured by charge on the specified movable and immovable assets of the respective entities.

### NOTE [23]

#### Non-current liabilities: Other financial liabilities

Particulars	₹ crore	
	As at 31-3-2025	As at 31-3-2024
Forward contract payables	63.68	18.30
Embedded derivative payables	50.83	–
Financial guarantee contracts	0.56	0.03
Due to others <sup>(1)</sup>	137.11	77.74
	252.18	96.07

<sup>(1)</sup> Mainly includes security deposits, liabilities towards capital goods and liability for other expenses

### NOTE [24]

#### Non-current liabilities: Provisions

Particulars	₹ crore	
	As at 31-3-2025	As at 31-3-2024
Employee pension scheme [Note 52(b)(i)]	371.37	351.87
Post-retirement medical benefits plan [Note 52(b)(i)]	433.58	375.92
Provision for other employee benefits	8.50	13.90
Other provisions [Note 56(a)]	310.56	245.69
	1124.01	987.38

### NOTE [25]

#### Other non-current liabilities

Particulars	₹ crore	
	As at 31-3-2025	As at 31-3-2024
Deferred Income in respect of Government Grants	575.17	585.00
Other payables <sup>(1)</sup>	19.57	33.02
	594.74	618.02

<sup>(1)</sup> Includes payable towards tax matters

## Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [26]**
**Current liabilities: Financial liabilities - Borrowings**

₹ crore

Particulars	As at 31-3-2025			As at 31-3-2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Loans repayable on demand	8196.52	3750.00	11946.52	5785.00	3550.00	9335.00
Short-term loans and advances from banks	12051.75	693.09	12744.84	7565.67	814.58	8380.25
Loans from related parties	–	1.28	1.28	–	207.67	207.67
Commercial paper	–	11168.66	11168.66	–	9911.35	9911.35
	20248.27	15613.03	35861.30	13350.67	14483.60	27834.27

Note: The secured portion of loans payable on demand and bank borrowings are secured by charge on the specified movable and immovable assets of the respective entities.

**NOTE [27]**
**Current liabilities: Financial liabilities - Current maturities of long term borrowings**

₹ crore

Particulars	As at 31-3-2025			As at 31-3-2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Redeemable non-convertible fixed rate debentures	10357.68	7970.80	18328.48	7845.26	6549.07	14394.33
Term loans from banks	15322.70	2199.06	17521.76	14797.67	42.20	14839.87
Loans from financial institutions	344.46	–	344.46	464.33	–	464.33
	26024.84	10169.86	36194.70	23107.26	6591.27	29698.53

Notes:

- Loans guaranteed by directors: ₹ Nil (previous year: ₹ Nil)
- Non-convertible debentures and borrowings from banks and financial institutions are secured by charge on the specified movable and immovable assets of the respective entities.

**NOTE [28]**
**Current liabilities: Financial liabilities - Other trade payables**

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Acceptances	145.58	93.89
Due to related parties:		
Associates	14.14	5.97
Joint ventures	758.97	1286.39
	773.11	1292.36
Due to others	50123.00	50887.92
	51041.69	52274.17

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [28][a]

### Current liabilities: Financial liabilities - Trade payables ageing

₹ crore

Particulars	As at 31-3-2025						Total
	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>							
Micro and small enterprises	63.37	1179.05	148.99	11.27	4.88	10.09	1417.65
Others	15591.31	25867.61	8041.71	370.68	195.94	971.22	51038.47
<b>Disputed:</b>							
Micro and small enterprises	—	—	—	—	—	—	—
Others	0.52	2.56	0.04	—	—	0.10	3.22
	15655.20	27049.22	8190.74	381.95	200.82	981.41	52459.34

₹ crore

Particulars	As at 31-3-2024						Total
	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>							
Micro and small enterprises	18.05	938.76	51.05	5.49	2.91	2.45	1018.71
Others	16324.39	25192.16	8638.94	436.12	379.97	1295.49	52267.07
<b>Disputed:</b>							
Micro and small enterprises	—	—	—	—	—	—	—
Others	—	7.06	0.04	—	—	—	7.10
	16342.44	26137.98	8690.03	441.61	382.88	1297.94	53292.88

## NOTE [29]

### Current liabilities: Other financial liabilities

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Unclaimed dividend	137.78	129.90
Unclaimed interest on debentures	156.86	166.34
Financial guarantee contracts	0.47	0.17
Forward contract payables	432.56	325.49
Embedded derivative payables	27.50	41.64
Due to others <sup>[1] [2]</sup>	5518.20	6912.13
	6273.37	7575.67

<sup>[1]</sup> Due to others include due to directors: ₹ 137.43 crore (previous year: ₹ 125.36 crore)

<sup>[2]</sup> Mainly includes security deposits, liability towards employee benefits and capital goods

## NOTE [30]

### Other current liabilities

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
Contract liabilities [Note 47(d)(i)]		
Excess of billing over revenue	28524.41	20497.73
Advances from customers	29086.96	26874.76
	57611.37	47372.49
Deferred income in respect of Government Grants	2.04	1.06
Other payables <sup>[1]</sup>	5713.56	4810.53
	63326.97	52184.08

<sup>[1]</sup> Mainly includes statutory dues, employee benefits and liabilities towards joint operations

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [31]**
**Current liabilities: Provisions**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
Provision for employee benefits:		
Gratuity [Note 52(b)(i)]	405.99	301.67
Compensated absences	1999.06	1598.68
Employee pension scheme [Note 52(b)(i)]	31.26	30.39
Post-retirement medical benefits plan [Note 52(b)(i)]	21.58	19.84
Others	0.24	0.28
	2458.13	1950.86
Other provisions [Note 56(a)]	2233.54	2165.03
	4691.67	4115.89

**NOTE [32]**
**Contingent Liabilities**

	₹ crore	
Particulars	As at 31-3-2025	As at 31-3-2024
(a) Claims against the Group not acknowledged as debts	4552.83	4624.58
(b) Sales tax/GST liability that may arise in respect of matters in appeal	6118.60	1430.04
(c) Excise duty/service tax/custom duty/entry tax/stamp duty/municipal cess liability that may arise, including those in respect of matters in appeal/challenged by the Group in Writ	954.36	1118.68
(d) Income tax liability (including penalty) that may arise in respect of which the Group is in appeal	3422.21	3929.85
(e) Guarantees or letter of credit or letter of comfort given to third parties	56.00	56.00
(f) Corporate guarantees for financial obligations of joint ventures	211.67	210.56
(g) Bank guarantees given on behalf of joint venture	19.41	32.66
(h) Contingent liabilities incurred in relation to interests in joint operations	3079.22	3006.66
(i) Share in contingent liabilities of joint operations for which the Group is contingently liable	153.79	123.84
(j) Contingent liabilities in respect of liabilities of other joint operators of joint operations	5055.57	4364.24
(k) Share of joint ventures' contingent liabilities in respect of a legal claim lodged against the entity	13.50	33.95
(l) Indemnities for performance given on behalf of third parties	9.65	56.79

**Notes:**

- The Group expects reimbursements of ₹ 1.91 crore (previous year: ₹ 1.91 crore) in respect of the above contingent liabilities except in respect of matters at (l)
- It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) to (d) above pending resolution of the arbitration / appellate proceedings. Further, the liability mentioned in (a) to (d) above includes interest in cases where the company has determined that the possibility of such levy is remote.
- In respect of matters at (e), the cash flows, if any, could occur any time during the subsistence of the underlying agreement.
- In respect of matters at (f), the cash outflows, if any, could generally occur up to four years, being the period over which the validity of the guarantees extends except in a few cases where the cash outflows, if any, could occur any time during the subsistence of the borrowing to which the guarantees relate.
- In respect of matters at (g), the cash outflows, if any, could generally occur up to four years, being the period over which the validity of the guarantees extends.
- In respect of matters at (h) to (j), the cash outflows, if any, could generally occur upto completion of projects undertaken by the respective joint operations.
- In respect of matters at (k), the cash outflows, in any, could generally occur any time up to settlement of claims or during subsistence of the underlying agreements.
- In respect of matters at (l), the cash outflows, if any, is fully reimbursable by the third parties under an agreement entered in to with them.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [33]

#### Commitments

₹ crore

Particulars	As at 31-3-2025	As at 31-3-2024
(a) Estimated amount of contracts remaining to be executed on capital account (net of advances):		
(i) Property, plant and equipment	1530.73	984.57
(ii) Investment property	445.31	252.69
(iii) Intangible assets	98.92	43.41
(b) Other funding commitments:		
(i) Undrawn/undisbursed commitments to other companies (in Financial Services segment)	2035.76	972.34
(ii) Purchase of additional stake in associate company	327.75	–
(iii) Share of joint ventures' capital commitments	1.30	5.38

### NOTE [34]

#### Revenue from operations

₹ crore

Particulars	2024-25	2023-24
Sales & service:		
Construction and project related activity	174161.52	147603.49
Manufacturing and trading activity	5292.70	4828.33
Engineering service fees	12686.28	8940.19
Software development products and services	37617.79	35119.11
Income from financing activity/annuity based projects	16137.89	14074.87
Property development activity	2410.45	2804.71
Fare collection and related activity	622.99	602.98
Servicing fees	1956.96	1871.31
Commission	144.36	130.37
Fees for operation and maintenance of power plant	3177.71	3140.33
	254208.65	219115.69
Other operational income:		
Lease rentals	187.42	166.11
Property maintenance recoveries	76.67	86.44
Gain on sale of subsidiary/business undertaking	187.44	511.73
Premium earned (net) on related forward exchange contracts	45.09	28.83
Net gain on sale of investment property	142.39	21.93
Miscellaneous income	886.79	1182.18
	1525.80	1997.22
	255734.45	221112.91

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [35]**
**Other income**

₹ crore

Particulars	2024-25	2023-24
Interest income on: [Note 46(a)]		
Loans and advances to joint ventures and associates	9.89	22.91
Investments	1510.65	1540.43
Others	950.77	883.73
	2471.31	2447.07
Dividend income on:		
From long term investments:		
Joint venture	–	114.98
Trade investments	19.55	6.37
Current investments	46.16	55.74
Others	51.34	31.40
	117.05	208.49
Net gain/(loss) on fair valuation of investments	640.55	242.63
Net gain/(loss) on sale of investments	492.57	491.57
Net gain/(loss) on derivatives at fair value through profit or loss	36.65	(6.18)
Net gain/(loss) on sale of property, plant and equipment	45.25	73.51
Lease rentals	7.71	8.44
Miscellaneous income (net of expenses)	313.73	692.50
	4124.82	4158.03

**NOTE [36]**
**Manufacturing, construction and operating expenses**

₹ crore

Particulars	2024-25	2023-24
Cost of raw materials and components consumed:		
Raw materials and components	27851.01	19625.81
Less: Scrap sales	195.99	183.56
	27655.02	19442.25
Construction materials consumed	63526.44	54813.97
Purchase of stock-in-trade	1402.14	1063.77
Stores, spares and loose tools consumed	4393.39	4432.02
Sub-contracting charges	40570.92	35054.35
Changes in inventories of finished goods, stock-in-trade, work-in-progress and property development:		
Closing stock:		
Finished goods	137.00	82.09
Stock-in-trade	470.16	228.30
Work-in-progress	8964.20	9470.98
Cost of built-up space and property development land:		
Work-in-progress	4577.08	3710.77
Completed property	362.83	222.13
	14511.27	13714.27
Carried forward	14511.27 137547.91	13714.27 114806.36

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [36]

#### Manufacturing, construction and operating expenses (contd.)

			₹ crore	
Particulars	2024-25		2023-24	
Brought forward	14511.27	137547.91	13714.27	114806.36
Less: Opening stock:				
Finished goods	82.09		94.95	
Stock-in-trade	228.30		364.92	
Work-in-progress	9579.05		10005.68	
Cost of built-up space and property development land:				
Work-in-progress	3710.77		3998.29	
Completed property	222.13		271.50	
	13822.34		14735.34	
	(688.93)		1021.07	
Inventorisation of investment property	278.14		—	
		(410.79)		1021.07
Other manufacturing, construction and operating expenses:				
Power and fuel	2299.81		2526.75	
Royalty and technical know-how fees	87.34		127.09	
Packing and forwarding	847.89		749.95	
Rent and hire charges	7129.61		5724.39	
Bank guarantee charges	356.08		309.75	
Engineering, professional, technical and consultancy fees	4425.90		4226.57	
Insurance	907.46		821.43	
Rates and taxes	1086.52		955.76	
Travelling and conveyance	1904.15		1704.92	
Repairs to plant and equipment	363.36		155.23	
Repairs to buildings	72.64		19.74	
General repairs and maintenance	923.38		759.27	
Provision/(reversal) for onerous construction contracts	(89.11)		207.86	
Other provisions/(reversal of provisions)	77.60		18.18	
Expenses on construction job in realty business	1245.33		994.82	
Software development expenses	4509.58		4130.13	
Miscellaneous expenses	1386.01		1054.65	
		27533.55		24486.49
Finance cost of financial services business and finance lease activity		6302.23		5714.90
		170972.90		146028.82



# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [37]**
**Employee benefits expense**

	₹ crore	
Particulars	2024-25	2023-24
Salaries, wages and bonus	42045.73	37042.85
Contribution to and provision for:		
Provident fund and pension fund	1032.05	883.75
Superannuation/employee pension and social security schemes	1312.85	1202.48
Gratuity funds [Note 52(b)(ii)]	308.23	285.52
	2653.13	2371.75
Expenses on employee stock option scheme	222.60	297.63
Employee medical and other insurance premium expenses	439.53	347.07
Staff welfare expenses	1534.64	1287.71
Recoveries on account of deputation charges	(126.95)	(175.99)
	46768.68	41171.02

**NOTE [38]**
**Sales, administration and other expenses**

	₹ crore	
Particulars	2024-25	2023-24
Power and fuel	234.61	218.44
Packing and forwarding	89.68	80.20
Insurance	145.22	135.27
Rent and hire charges	330.37	333.89
Rates and taxes	557.74	478.86
Travelling and conveyance	943.60	711.54
Repairs to buildings	168.00	125.52
General repairs and maintenance	817.83	784.64
Professional fees	1615.28	1550.32
Directors' fees	5.84	7.18
Telephone, postage and telegrams	215.51	193.76
Advertising and publicity	378.27	345.49
Stationery and printing	84.96	80.23
Commission:		
Distributors and agents	69.98	34.86
Others	3.47	7.94
	73.45	42.80
Bank charges	288.18	251.42
Corporate social responsibility expenses	322.62	271.29
Collection cost (Financial Services business)	557.47	520.30
Miscellaneous expenses	1433.86	1108.90
Bad debts and advances written off (net of written back)	3081.04	2129.70
Less: Allowances for expected credit loss written back	2759.90	1567.90
	321.14	561.80
Allowances for expected credit loss	3210.94	2350.80
(Gain)/loss on fair valuation/sale of investments towards financing activities (net)	148.52	1106.66
(Gain)/loss on fair valuation of loans towards financing activities (net)	(215.72)	(675.20)
(Gain)/loss on sale of loans towards financing activities	(96.98)	—
Recoveries from joint ventures and associates	—	(26.65)
Exchange (gain)/loss [net]	(124.15)	(145.20)
Other provisions	51.04	7.16
Provision/(reversal of provision) on investments in joint venture <sup>[1]</sup>	(1622.03)	—
Loss on divestment of equity shares in joint venture <sup>[1]</sup>	1622.88	—
	11558.13	10419.42

<sup>[1]</sup> [Refer Note 45(b)]

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [39]

#### Finance costs

			₹ crore
Particulars	2024-25	2023-24	
Interest expenses	3137.24	3369.30	
Interest on lease liabilities	193.60	167.21	
Exchange (gain)/loss [net]	3.53	9.34	
	3334.37	3545.85	

39(a) Aggregation of expenses disclosed vide Note 36 - Manufacturing, construction and operating expenses, Note 37 - Employee benefits expense, Note 38 - Sales, administration and other expenses and Note 39 - Finance costs

												₹ crore
Sr. No.	Nature of expenses	2024-25					2023-24					
		Note 36	Note 37	Note 38	Note 39	Total	Note 36	Note 37	Note 38	Note 39	Total	
1	Power and fuel	2299.81	–	234.61	–	2534.42	2526.75	–	218.44	–	2745.19	
2	Packing and forwarding	847.89	–	89.68	–	937.57	749.95	–	80.20	–	830.15	
3	Insurance	907.46	439.53	145.22	–	1492.21	821.43	347.07	135.27	–	1303.77	
4	Rent and hire charges	7129.61	–	330.37	–	7459.98	5724.39	–	333.89	–	6058.28	
5	Rates and taxes	1086.52	–	557.74	–	1644.26	955.76	–	478.86	–	1434.62	
6	Travelling and conveyance	1904.15	–	943.60	–	2847.75	1704.92	–	711.54	–	2416.46	
7	Repairs to plant and equipment	363.36	–	–	–	363.36	155.23	–	–	–	155.23	
8	Repairs to buildings	72.64	–	168.00	–	240.64	19.74	–	125.52	–	145.26	
9	General repairs and maintenance	923.38	–	817.83	–	1741.21	759.27	–	784.64	–	1543.91	
10	Engineering, professional, technical and consultancy fees	4425.90	–	1615.28	–	6041.18	4226.57	–	1550.32	–	5776.89	
11	Finance Costs	6302.23	–	–	3334.37	9636.60	5714.90	–	–	3545.85	9260.75	
12	Miscellaneous expenses	1386.01	–	1433.86	–	2819.87	1054.65	–	1108.90	–	2163.56	

### NOTE [40]

#### Depreciation, amortisation, impairment and obsolescence

			₹ crore
Particulars	2024-25	2023-24	
Depreciation on:			
Property, plant and equipment	2516.28	2241.97	
Investment property	70.37	40.70	
		2586.65	2282.67
Amortisation of:			
Intangible assets	924.24	883.95	
Right-of-use assets	587.33	508.08	
		1511.57	1392.03
Impairment on Property, plant and equipment		1.58	–
Obsolescence on Property, plant and equipment		21.38	7.63
		4121.18	3682.33

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [41]

The list of subsidiaries, associates, joint ventures and joint operations included in the Consolidated Financial Statements are as under:

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2025	As at 31-3-2024
			Proportion of effective ownership interest /voting power(%)	Proportion of effective ownership interest /voting power(%)
	Indian subsidiaries			
1	Hi-Tech Rock Products and Aggregates Limited	India	100.00	100.00
2	L&T Geostructure Private Limited	India	100.00	100.00
3	LTIMindtree Limited	India	68.58	68.64
4	L&T Technology Services Limited	India	73.66	73.74
5	Intelliswift Software (India) Private Limited <sup>[a]</sup>	India	73.66	—
6	L&T Thales Technology Services Private Limited	India	54.51	54.57
7	L&T Network Services Private Limited	India	100.00	100.00
8	L&T Semiconductor Technologies Limited	India	100.00	100.00
9	Siliconch Systems Private Limited <sup>[b]</sup>	India	100.00	—
10	L&T Finance Limited	India	66.24	65.86
11	L&T Infra Investment Partners Advisory Private Limited	India	66.24	65.86
12	L&T Infra Investment Partners Trustee Private Limited	India	66.24	65.86
13	L&T Financial Consultants Limited	India	66.24	65.86
14	L&T Infra Investment Partners	India	36.38	36.17
15	L&T Energy Hydrocarbon Engineering Limited <sup>[c]</sup>	India	—	100.00
16	L&T Offshore Private Limited <sup>[c]</sup>	India	—	100.00
17	L&T Metro Rail (Hyderabad) Limited <sup>[d]</sup>	India	99.99	99.99
18	L&T Himachal Hydropower Limited	India	100.00	100.00
19	L&T Power Development Limited	India	100.00	100.00
20	Nabha Power Limited	India	100.00	100.00
21	Chennai Vision Developers Private Limited	India	100.00	100.00
22	Elevated Avenue Realty LLP (formerly known as L&T Avenue Realty LLP)	India	100.00	100.00
23	Elante Properties Private Limited (formerly known as L&T Parel Project Private Limited)	India	100.00	100.00
24	L&T Westend Project LLP	India	100.00	100.00
25	L&T Realty Properties Limited (formerly known as L&T Seawoods Limited)	India	100.00	100.00
26	L&T Realty Developers Limited	India	100.00	100.00
27	Prime Techpark (Chennai) Private Limited	India	100.00	100.00
28	Avenue Techpark (Bangalore) Private Limited <sup>[e]</sup>	India	—	100.00
29	Bangalore Spectrum Techpark Private Limited <sup>[e]</sup>	India	—	100.00
30	Bangalore Galaxy Techpark Private Limited	India	100.00	100.00
31	Chennai Nova Techpark Private Limited	India	100.00	100.00
32	Business Park (Powai) Private Limited	India	100.00	100.00
33	Millennium Techpark (Chennai) Private Limited	India	100.00	100.00
34	Bangalore Fortune Techpark Private Limited <sup>[e]</sup>	India	—	100.00
35	Corporate Park (Powai) Private Limited	India	100.00	100.00
36	LH Residential Housing Private Limited	India	100.00	100.00
37	LH Uttarayan Premium Realty Private Limited	India	100.00	100.00
38	L&T Construction Equipment Limited	India	100.00	100.00
39	L&T Valves Limited	India	100.00	100.00

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [41] (contd.)

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2025	As at 31-3-2024
			Proportion of effective ownership interest /voting power(%)	Proportion of effective ownership interest /voting power(%)
	Indian subsidiaries			
40	L&T Energy Green Tech Limited	India	100.00	100.00
41	L&T Electrolysers Limited	India	100.00	100.00
42	L&T Special Steels and Heavy Forgings Private Limited <sup>[f]</sup>	India	100.00	—
43	Bhilai Power Supply Company Limited	India	99.90	99.90
44	L&T Aviation Services Private Limited	India	100.00	100.00
45	L&T Capital Company Limited	India	100.00	100.00

<sup>[a]</sup> Acquired on January 3, 2025

<sup>[b]</sup> Acquired on August 9, 2024

<sup>[c]</sup> Merged with Larsen & Toubro Limited w.e.f. April 1, 2024

<sup>[d]</sup> One equity share (the Golden Share) is held by the Government of Telangana in pursuance of the Shareholders' Agreement

<sup>[e]</sup> Struck off from register of companies w.e.f January 07, 2025

<sup>[f]</sup> Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025 due to purchase of balance stake

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2025	As at 31-3-2024
			Proportion of effective ownership interest /voting power(%)	Proportion of effective ownership interest /voting power(%)
Foreign subsidiaries				
1	Larsen & Toubro (Oman) LLC	Sultanate of Oman	80.00	65.00
2	Larsen & Toubro Qatar LLC <sup>[a]</sup>	Qatar	49.00	49.00
3	Larsen & Toubro Saudi Arabia LLC	Kingdom of Saudi Arabia	100.00	100.00
4	Larsen and Toubro T&D SA Proprietary Limited	South Africa	72.50	72.50
5	Larsen & Toubro CIS FE LLC <sup>[b]</sup>	Uzbekistan	100.00	–
6	Larsen & Toubro Heavy Engineering LLC <sup>[a]</sup>	Sultanate of Oman	70.00	70.00
7	L&T Modular Fabrication Yard LLC	Sultanate of Oman	70.00	70.00
8	Larsen Toubro Arabia LLC	Kingdom of Saudi Arabia	75.00	75.00
9	L&T Hydrocarbon Saudi Company	Kingdom of Saudi Arabia	100.00	100.00
10	Larsen & Toubro Kuwait Construction General Contracting Co. W.L.L.	Kuwait	49.00	49.00
11	Larsen & Toubro Electromech LLC	Sultanate of Oman	70.00	70.00
12	LTIMindtree Information Technology Services (Shanghai) Co, Ltd.	China	68.58	68.64
13	LTIMindtree Financial Services Technologies Inc.	Canada	68.58	68.64
14	LTIMindtree Canada Limited	Canada	68.58	68.64
15	LTIMindtree LLC <sup>[c]</sup>	USA	–	68.64
16	LTIMindtree South Africa (Pty) Limited	South Africa	47.73	47.77
17	LTIMindtree GmBH	Germany	68.58	68.64
18	LTIMindtree Spain, S.L	Spain	68.58	68.64
19	LTIMindtree Norge AS	Norway	68.58	68.64
20	LTIMindtree, Sociedad De Responsibilidad Limitada De Capital Variable	Mexico	68.58	68.64
21	LTIMindtree S.A.	Luxembourg	68.58	68.64
22	Syncordis SARL, France <sup>[d]</sup>	France	–	68.64
23	Syncordis Limited UK <sup>[a]</sup>	UK	68.58	68.64

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [41] (contd.)**

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2025	As at 31-3-2024
			Proportion of effective ownership interest /voting power(%)	Proportion of effective ownership interest /voting power(%)
	Foreign subsidiaries			
24	LTIMindtree PSF S.A.	Luxembourg	68.58	68.64
25	Nielsen+Partner Unternehmensberater GmbH <sup>[e]</sup>	Germany	—	68.64
26	LTIMindtree Switzerland AG	Switzerland	68.58	68.64
27	Nielsen+Partner Pte Ltd	Singapore	68.58	68.64
28	LTIMindtree (Thailand) Limited	Thailand	68.58	68.64
29	Nielsen&Partner Pty Ltd <sup>[f]</sup>	Australia	—	68.64
30	LTIMindtree UK Limited	UK	68.58	68.64
31	LTIMindtree Middle East FZ-LLC	UAE	68.58	68.64
32	LTIMindtree USA Inc.	USA	68.58	68.64
33	LTIMindtree Consulting Brazil LTDA <sup>[g]</sup>	Brazil	68.64	—
34	L&T Technology Services LLC	USA	73.66	73.74
35	Intelliswift Software Inc. <sup>[h]</sup>	USA	73.66	—
36	Intelliswift Software (Hungary) Kft <sup>[h]</sup>	Hungary	73.66	—
37	Intelliswift Software (Costa Rica) Limitada <sup>[h]</sup>	Costa Rica	73.66	—
38	Intelliswift Software (Canada) Inc <sup>[h]</sup>	Canada	73.66	—
39	Global Infotech Corporation <sup>[h]</sup>	USA	73.66	—
40	P. Murphy & Associates Inc <sup>[h]</sup>	USA	73.66	—
41	L&T Technology Services Pte. Ltd.	Singapore	73.66	73.74
42	Graphene Solutions SDN. BHD.	Malaysia	73.66	73.74
43	Graphene Solutions Taiwan Limited	Taiwan	73.66	73.74
44	L&T Technology Services (Shanghai) Co. Ltd	China	73.66	73.74
45	L&T Technology Services (Canada) Ltd	Canada	73.66	73.74
46	L&T Technology Services Poland spółka z ograniczoną odpowiedzialnością	Poland	73.66	73.74
47	Larsen & Toubro (East Asia) Sdn.Bhd.	Malaysia	30.00	30.00
48	PT Larsen and Toubro	Indonesia	100.00	100.00
49	Larsen & Toubro International FZE	UAE	100.00	100.00
50	L&T Global Holdings Limited	UAE	100.00	100.00
51	L&T Valves Arabia Manufacturing LLC	Kingdom of Saudi Arabia	100.00	100.00
52	L&T Valves USA LLC	USA	100.00	100.00

<sup>[a]</sup> Under liquidation

<sup>[b]</sup> Incorporated on July 10, 2024

<sup>[c]</sup> Dissolved w.e.f January 21, 2025

<sup>[d]</sup> Dissolved w.e.f November 29, 2024

<sup>[e]</sup> Merged with LTIMindtree GmbH w.e.f October 2, 2024

<sup>[f]</sup> Dissolved w.e.f October 23, 2024

<sup>[g]</sup> Incorporated w.e.f September 26, 2024

<sup>[h]</sup> Acquired on January 3, 2025

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [41] (contd.)

Sr. No.	Name of associates	Principal place of business	As at 31-3-2025	As at 31-3-2024
			Proportion of effective ownership interest / voting power(%)	Proportion of effective ownership interest / voting power(%)
1	Larsen & Toubro Qatar & HBK Contracting Co. WLL <sup>[a]</sup>	Qatar	50.00	50.00
2	L&T Camp Facilities LLC <sup>[a]</sup>	UAE	49.00	49.00
3	Gujarat Leather Industries Limited <sup>[a]</sup>	India	50.00	50.00
4	Magtorq Private Limited	India	42.85	42.85
5	Magtorq Engineering Solutions Private Limited <sup>[b]</sup>	India	—	39.28
6	Indian Foundation For Quality Management <sup>[c]</sup>	India	—	—
7	E2E Networks Limited <sup>[d]</sup>	India	14.92	—

<sup>[a]</sup> Under liquidation

<sup>[b]</sup> Ceased to be an associate w.e.f September 27, 2024

<sup>[c]</sup> Acquired on September 19, 2024 and ceased to be an associate w.e.f December 16, 2024

<sup>[d]</sup> Acquired on December 4, 2024

Sr. No.	Name of joint ventures	Principal place of business	As at 31-3-2025	As at 31-3-2024
			Proportion of effective ownership interest / voting power(%)	Proportion of effective ownership interest / voting power(%)
1	L&T - MHI Power Boilers Private Limited	India	51.00	51.00
2	L&T - MHI Power Turbine Generators Private Limited	India	51.00	51.00
3	L&T Howden Private Limited	India	50.10	50.10
4	L&T-Sargent & Lundy Limited	India	50.00	50.00
5	L&T MBDA Missile Systems Limited	India	51.00	51.00
6	L&T Sapura Shipping Private Limited	India	60.00	60.00
7	EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) <sup>[a]</sup>	India	—	51.00
8	Rewin Infrastructure Limited <sup>[a]</sup>	India	—	51.00
9	Chennai-Tada Tollway Limited (formerly known as L&T Chennai-Tada Tollway Limited) <sup>[a]</sup>	India	—	51.00
10	Rajkot-Vadinar Tollway Limited (formerly known as L&T Rajkot-Vadinar Tollway Limited) <sup>[a]</sup>	India	—	51.00
11	Deccan Tollways Limited (formerly known as L&T Deccan Tollways Limited) <sup>[a]</sup>	India	—	51.00
12	Samakhiali Bhachau Gandhidham Tollway Limited (formerly known as L&T Samakhiali Gandhidham Tollway Limited) <sup>[a]</sup>	India	—	51.00
13	Kudgi Transmission Limited <sup>[a]</sup>	India	—	51.00
14	Sambalpur-Rourkela Tollway limited (formerly known as L&T Sambalpur-Rourkela Tollway Limited) <sup>[a]</sup>	India	—	51.00
15	Panipat Elevated Corridor Limited <sup>[a]</sup>	India	—	51.00
16	Vadodara Bharuch Tollway Limited <sup>[a]</sup>	India	—	51.00
17	Neelampur Madukkarai Tollway Limited (formerly known as L&T Transportation Infrastructure Limited) <sup>[a]</sup>	India	—	51.00
18	Palanpur-Swaroopgunj Road Project Limited (formerly known as L&T Interstate Road Corridor Limited) <sup>[a]</sup>	India	—	51.00
19	Ahmedabad - Maliya Tollway Limited <sup>[a]</sup>	India	—	51.00
20	PNG Tollway Limited <sup>[a]</sup>	India	—	37.74
21	Watrak Infrastructure Private Limited <sup>[a]</sup>	India	—	51.00
22	Raykal Aluminium Company Private Limited	India	75.50	75.50
23	Indiran Engineering Projects and Systems Kish PJSC	Iran	50.00	50.00
24	GH4India Private Limited	India	33.33	33.33
25	Hydrocarbon Arabia Limited Company	Kingdom of Saudi Arabia	60.00	60.00
26	LTIM Aramco Digital Solutions for Information Technology <sup>[b]</sup>	Kingdom of Saudi Arabia	34.97	—
27	L&T Special Steels and Heavy Forgings Private Limited <sup>[c]</sup>	India	—	74.00

<sup>[a]</sup> Divested w.e.f April 10, 2024

<sup>[b]</sup> Incorporated on November 22, 2024

<sup>[c]</sup> Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025 due to purchase of balance stake

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [41] (contd.)

Sr. No.	Name of joint operations (with specific ownership interest in the arrangement)	Principal place of business	As at 31-3-2025	As at 31-3-2024
			Proportion of effective ownership interest (%)	Proportion of effective ownership interest (%)
1	Desbuild L&T Joint Venture	India	49.00	49.00
2	Larsen and Toubro Limited-Shapoorji Pallonji & Co. Ltd. Joint Venture	India	50.00	50.00
3	Al Balagh Trading & Contracting Co W.L.L- L&T Joint Venture	Qatar	80.00	80.00
4	L&T-AM Tapovan Joint Venture	India	65.00	65.00
5	HCC-L&T Purulia Joint Venture	India	43.00	43.00
6	International Metro Civil Contractors Joint Venture	India	26.00	26.00
7	Metro Tunneling Group	India	26.00	26.00
8	L&T-Hochtief Seabird Joint Venture	India	90.00	90.00
9	Metro Tunneling Chennai-L&T Shanghai Urban Construction (Group) Corporation Joint Venture	India	75.00	75.00
10	Metro Tunneling Delhi-L&T Shanghai Urban Construction (Group) Corporation Joint Venture	India	60.00	60.00
11	L&T-Shanghai Urban Construction (Group) Corporation Joint Venture CC27 Delhi	India	68.00	68.00
12	Aktor-Larsen & Toubro-Yapi Merkezi-STFA-Al Jaber Engineering Joint Venture	Qatar	22.00	22.00
13	Civil Works Joint Venture	Kingdom of Saudi Arabia	29.00	29.00
14	L&T-Shanghai Urban Construction (Group) Corporation Joint Venture	India	51.00	51.00
15	DAEWOO and L&T Joint Venture	India	50.00	50.00
16	L&T-STEC JV MUMBAI	India	65.00	65.00
17	L&T-ISDPL JV	India	100.00	100.00
18	L&T-IHI Consortium	India	100.00	100.00
19	Larsen and Toubro Limited-Scomi Engineering BHD Consortium-Residual Joint Works Joint Venture	India	60.00	60.00
20	Larsen and Toubro Limited-Scomi Engineering BHD Consortium-O&M Joint Venture	India	50.00	50.00
21	L&T- Inabensa JV	India	100.00	100.00
22	L&T-Delma Mafraq Joint Venture	UAE	100.00	100.00
23	L&T-AL-Sraiya LRDP 6 Joint Venture	Qatar	75.00	75.00
24	Larsen & Toubro Limited & NCC Limited Joint Venture	India	55.00	55.00
25	Besix - Larsen & Toubro Joint Venture	UAE	50.00	50.00
26	Larsen & Toubro Ltd - Passavant Energy & Environment JV	India	50.00	50.00
27	Larsen and Toubro Shriram EPC JV	Tanzania	90.00	90.00
28	LTH Milcom Private Limited	India	56.67	56.67
29	L&T - Tecton JV	India	60.00	60.00
30	L&T - Powerchina JV	UAE	55.00	55.00
31	L&T - PCIPL JV	India	99.00	99.00
32	Bauer- L&T Geo Joint Venture	India	50.00	50.00
33	Larsen Toubro Arabia LLC - Subsea Seven Saudi Company Ltd.	Kingdom of Saudi Arabia	50.00	50.00

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [42]

Disclosure pursuant to Ind AS 112 "Disclosure of interest in other entities": Subsidiaries

(a) Change in the Group's ownership interest in a subsidiary:

(i) On account of acquisition of part stake (from open market/ direct purchase from NCI):

Name of Group company	2024-25				2023-24			
	Acquisition (%)	Payment made	(Gain)/Loss accounted in Non-controlling interest <sup>[1]</sup>	(Gain)/Loss accounted in Other Equity	Acquisition (%)	Payment made	(Gain)/Loss accounted in Non-controlling interest <sup>[1]</sup>	(Gain)/Loss accounted in Other Equity
L&T Finance Limited	0.53%	227.77	134.96	92.81	–	–	–	–
Larsen & Toubro (Oman) LLC	15.00%	26.14	62.74	(36.60)	–	–	–	–
Total		253.91	197.70	56.21				

<sup>[1]</sup> Represents proportionate share of the net assets of subsidiaries.

(ii) On account of dilution due to exercise of Employee Stock Options (without ceding control):

Name of Group company	2024-25				2023-24			
	Dilution (%)	Proceeds received	(Dr)/Cr to Non-controlling interest <sup>[1]</sup>	(Dr)/Cr to Other Equity	Dilution (%)	Proceeds received	(Dr)/Cr to Non-controlling interest <sup>[1]</sup>	(Dr)/Cr to Other Equity
L&T Finance Limited	0.15%	40.40	63.28	(22.88)	0.25%	9.27	90.92	(81.65)
LTIMindtree Limited	0.06%	3.51	49.73	(46.22)	0.04%	0.02	28.65	(28.63)
L&T Technology Services Limited	0.08%	0.03	17.49	(17.46)	0.10%	0.03	16.82	(16.79)
Total		43.94	130.50	(86.56)		9.32	136.39	(127.07)

<sup>[1]</sup> Represents proportionate share of the net assets of subsidiaries.

(b) The effect of divestment with ceding of control in subsidiaries during the year is as under:

₹ crore				
Sr. No.	Name of company	Effect on consolidated profit before non-controlling interest		Line item in Statement of Profit & Loss in which the gain is recognised
		2024-25	2023-24	
1	Think Tower Developers Private Limited <sup>[1]</sup>	–	–	Revenue from Operations
2	Mudit Cement Private Limited	–	5.88	Other income
3	L&T Infrastructure Engineering Limited	–	(3.24)	Other income
	Total	–	2.64	

<sup>[1]</sup> Less than ₹ 1 Lakh



## Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [42] (contd.)**

(c) Disclosure of subsidiaries having material non-controlling interest:

(i) Summarised Statement of Profit and Loss

Particulars	L&T Finance Limited		L&T Technology Services Limited	
	2024-25	2023-24	2024-25	2023-24
	₹ crore			
Revenue	15193.58	13107.78	9533.08	8678.87
Profit/(loss) for the year	2617.81	2286.23	1220.94	1258.48
Other comprehensive income	24.47	6.22	(32.11)	41.61
Total comprehensive income	2642.28	2292.45	1188.83	1300.09
Effective % of non-controlling interest	33.76%	34.14%	26.34%	26.26%
Profit/(loss) allocated to non-controlling interest (including consolidation adjustments)	893.55	776.36	320.94	322.10
Dividend to non-controlling interest	209.33	168.77	138.94	129.92

Particulars	LTIMindtree Limited	
	2024-25	2023-24
	₹ crore	
Revenue	36682.51	34253.44
Profit/(loss) for the year	4446.45	4485.76
Other comprehensive income	(48.68)	484.95
Total comprehensive income	4397.77	4970.71
Effective % of non-controlling interest	31.42%	31.36%
Profit/(loss) allocated to non-controlling interest (including consolidation adjustments)	1323.46	1319.03
Dividend to non-controlling interest	604.32	556.54

(ii) Summarised Balance Sheet

Particulars	L&T Finance Limited		L&T Technology Services Limited	
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024
	₹ crore			
Current assets (a)	52813.12	45007.28	5717.95	5789.91
Current liabilities (b)	55039.37	46077.81	2597.43	2374.14
Net current assets (c)=(a)-(b)	(2226.25)	(1070.53)	3120.52	3415.77
Non-current assets (d)	67219.67	57343.55	3144.44	2214.72
Non-current liabilities (e)	39698.70	33078.06	516.77	579.47
Net non-current assets (f)=(d)-(e)	27520.97	24265.49	2627.67	1635.25
Net assets (g)=(c)+(f)	25294.72	23194.96	5748.19	5051.02
Accumulated non-controlling interest	8524.44	7900.69	1620.14	1430.26

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [42] (contd.)

₹ crore

Particulars	LTIMindtree Limited	
	As at 31-3-2025	As at 31-3-2024
Current assets (a)	19913.87	18181.60
Current liabilities (b)	5537.64	5469.21
Net current assets (c)=(a)-(b)	14376.23	12712.39
Non-current assets (d)	9302.73	8276.10
Non-current liabilities (e)	1845.18	1689.98
Net non-current assets (f)=(d)-(e)	7457.55	6586.12
Net assets (g)=(c)+(f)	21833.78	19298.51
Accumulated non-controlling interest	6977.96	6230.41

(iii) Summarised statement of cash flows

₹ crore

Particulars	L&T Finance Limited		L&T Technology Services Limited	
	2024-25	2023-24	2024-25	2023-24
Cash flows from operating activities	(16607.67)	649.61	1428.40	1341.30
Cash flows from investing activities	499.13	858.79	(554.30)	(231.40)
Cash flows from financing activities	15440.76	(7052.67)	(704.70)	(646.60)
Net increase/(decrease) in cash and cash equivalents	(667.78)	(5544.27)	169.40	463.30

₹ crore

Particulars	LTIMindtree Limited	
	2024-25	2023-24
Cash flows from operating activities	4039.70	5529.60
Cash flows from investing activities	(1688.00)	(3832.50)
Cash flows from financing activities	(2514.80)	(2162.60)
Net increase/(decrease) in cash and cash equivalents	(163.10)	(465.50)

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [43]**

Disclosures pursuant to Ind AS 112 "Disclosure of interest in other entities" : Joint Ventures and Associates

(a) Summarised Balance Sheet of material joint ventures and associates:

Particulars	Material Joint Venture				Material Associate
	L&T - MHI Power Boilers Private Limited		L&T - MHI Power Turbine Generators Private Limited		E2E Networks Limited #
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025
Current assets					
Cash and bank balances	420.80	365.40	61.73	6.94	1356.94
Other assets	1554.01	1763.13	544.40	548.86	191.67
Total current assets (A)	1974.81	2128.53	606.14	555.80	1548.61
Total non-current assets (B)	348.75	353.60	410.92	447.43	1876.58*
Current liabilities					
Financial liabilities (excluding trade payables)	170.33	178.09	110.96	119.42	875.74
Other liabilities (including trade payables)	666.63	783.41	258.07	356.47	37.75
Total current liabilities (C)	836.96	961.50	369.03	475.89	913.49
Non-current liabilities					
Financial liabilities (excluding trade payables)	0.63	0.18	272.18	137.60	49.94
Other liabilities (including trade payables)	—	—	81.74	69.77	24.53
Total non-current liabilities (D)	0.63	0.18	353.92	207.37	74.47
Net assets (A+B-C-D)	1485.97	1520.45	294.11	319.97	2437.23

# Group acquired 15% stake on December 4, 2024, subsequently reduced to 14.92% on account of exercise of ESOP

\* including fair value of Goodwill & Other intangible assets

(b) Reconciliation of carrying amounts of material joint ventures and associates:

Particulars	Material Joint Venture				Material Associate
	L&T - MHI Power Boilers Private Limited		L&T - MHI Power Turbine Generators Private Limited		E2E Networks Limited #
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025
Opening net assets	1520.45	1546.77	319.97	340.10	NA
Net assets on the date of acquisition	—	—	—	—	492.98
Infusion during the year	—	—	—	—	1079.28
Profit/(loss) for the year	(37.19)	(30.91)	(26.02)	(21.30)	17.00
Other comprehensive income	2.71	4.59	(2.31)	1.18	(0.16)
Equity component of other financial instruments & changes in Other Equity	—	—	2.47	—	3.69
Other adjustments	—	—	—	—	0.74
Closing net assets	1485.97	1520.45	294.11	319.97	1593.52
Group's share in %	51.00%	51.00%	51.00%	51.00%	14.92%
Group's share	757.84	775.43	150.00	163.19	1082.83
Carrying amount	757.84	775.43	150.00	163.19	1082.83
Fair value of the investment based on the quoted price on reporting date	NA		NA		631.61

# Group acquired 15% stake on December 4, 2024, subsequently reduced to 14.92% on account of exercise of ESOP

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [43] (contd.)

(c) Summarised Statement of Profit and Loss of material joint ventures and associates:

Particulars	Material Joint Venture				₹ crore
	L&T - MHI Power Boilers Private Limited		L&T - MHI Power Turbine Generators Private Limited		Material Associate
	EZE Networks Limited #				
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025
Revenue	920.00	1182.72	292.45	275.78	44.79
Interest income	26.46	20.05	—	1.23	—
Depreciation and amortisation	(30.11)	(37.95)	(46.11)	(46.34)	(25.16)
Finance cost	(0.31)	(0.60)	33.08	50.20	(3.59)
Tax expense	11.28	8.34	—	—	7.92
Profit/(loss) for the year	(37.19)	(30.91)	(26.02)	(21.30)	17.00
Other comprehensive income	2.71	4.59	(2.31)	1.18	(0.16)
Total comprehensive income	(34.48)	(26.32)	(28.33)	(20.13)	16.84

# From the date of acquisition

(d) Financial information in respect of individually not material joint ventures/associates:

Particulars	As at 31-3-2025	As at 31-3-2024
Aggregate carrying amount of investment in individually not material joint venture/associate	327.75	325.63
Aggregate amounts of the Group's share of:		
Profit/(loss) for the year	15.64	4.01
Other comprehensive income for the year	1.99	1.74
Total comprehensive income for the year	17.63	5.75

(e) Carrying amount of investments in joint ventures/associates:

Particulars	As at 31-3-2025	As at 31-3-2024
Non-material associates	10.64	8.96
Non-material joint ventures	317.11	316.67
Sub-total	327.75	325.63
Material joint ventures	907.84	938.62
Material associates	1082.83	—
Total	2318.42	1264.25

(f) Share in profit/(loss) of joint ventures/associates (net):

Particulars	2024-25	2023-24
Non-material associates	2.44	0.90
Non-material joint ventures	13.20	3.11
Sub-total	15.64	4.01
Material joint ventures	(32.24)	(26.63)
Material associates	2.54	—
Total	(14.06)	(22.62)

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [44]

Disclosures pursuant to Indian Accounting Standard (Ind AS 103) "Business Combinations":

(a) Acquisition of L&T Special Steels and Heavy Forgings Private Limited

- (i) On February 18, 2025, the Parent Company acquired the balance 26% stake in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF). Post this transaction, LTSSHF became a wholly owned subsidiary of the Parent Company. It operates in the Hi-tech Manufacturing segment.
- (ii) The fair value of assets acquired and liabilities recognised on the date of acquisition are as follows:

		₹ crore
<b>Assets</b>		
Non-current assets		
Property, Plant & Equipment	182.51	
Capital work-in-progress	1.55	
Other intangible assets	0.33	
Other non -current assets	9.62	194.01
Current assets		
Inventories	221.77	
Trade receivables	312.61	
Other current assets	31.63	566.01
Total Assets		760.02
<b>Liabilities</b>		
Non-current Liabilities		13.77
Current Liabilities		
Borrowings	629.94	
Financial liabilities	63.28	
Other current liabilities	50.26	
Provisions	2.77	746.25
Total Liabilities		760.02
Net Assets acquired		–

No Goodwill has been recognised on above acquisition.

The above transaction results into a gain of ₹ 459.94 crore on settlement of pre-existing relationship, in line with principles of Ind AS 103. The gain is accounted as an exceptional item [Refer Note 48(a)].

- (iii) The entity has reported revenue of ₹ 83.43 crore and profit after tax of ₹ 296.71 crore from the date of acquisition till March 31, 2025. Had the entity been acquired from April 1, 2024, they would have reported revenue of ₹ 617.33 crore and profit after tax of ₹ 303.89 crore during 2024-25.
- (iv) Out of ₹ 312.61 crore of trade receivables acquired, ₹ 70.00 crore have been collected during the year.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [44] (contd.)

(b) Acquisition of Intelliswift Software (India) Private Limited and Intelliswift Software Inc. (Consolidated)

- (i) On January 3, 2025, L&T Technology Services Limited, a Subsidiary of the Company and L&T Technology Services LLC, a wholly-owned subsidiary of L&T Technology Services Limited have acquired 100% stake in Intelliswift Software (India) Private Limited and Intelliswift Software Inc. (Consolidated) respectively. These companies operate in the IT&TS segment.
- (ii) The fair value of assets acquired and liabilities recognised on the date of acquisition are as follows:

	₹ crore			
Particulars	Intelliswift Software (India) Private Limited		Intelliswift Software Inc. (Consolidated)	
<b>Assets</b>				
Non-current assets				
Property, plant and equipment	1.49		1.74	
Right-of-use assets	12.39		—	
Customer relationships	0.52		199.87	
Tradename	—		34.31	
Deferred tax assets (net)	3.73		—	
Other non-current assets	2.46	20.59	—	235.92
Current assets				
Trade receivables	58.98		139.24	
Cash and cash equivalents	3.60		22.99	
Bank balances other than cash and cash equivalents	1.90		—	
Other current assets	11.46	75.94	8.97	171.20
Total Assets		96.53		407.12
<b>Liabilities</b>				
Non-current liabilities		17.89		—
Current liabilities				
Trade payables	16.77		76.30	
Other current liabilities & Provisions	11.85		25.36	
Current tax liabilities (net)	2.07	30.69	0.14	101.80
Total Liabilities		48.58		101.80
Net Assets acquired		47.95		305.32

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [44] (contd.)

(iii) Calculation of Goodwill:

Particulars	₹ crore	
	Intelliswift Software (India) Private Limited	Intelliswift Software Inc. (Consolidated)
Cash consideration upfront (A)	84.89	653.60
Consideration Payable (Provisional) (B)	—	141.54
Total (A+B)	84.89	795.14
Less: Fair value of net assets acquired	47.95	305.32
Goodwill	36.94	489.82

(iv) Goodwill is attributable to future growth of business out of synergies from the acquisition and assembled workforce. The Goodwill of ₹ 36.94 crore is not deductible for income tax purposes in respect of acquisition of Intelliswift Software (India) Private Limited, while Goodwill of ₹ 489.82 crore in the case of Intelliswift Software Inc. (Consolidated) is deductible for income tax purposes.

(v) Intelliswift Software (India) Private Limited has reported revenue of ₹ 47.61 crore and profit after tax of ₹ 3.95 crore from the date of acquisition till March 31, 2025. Had the entity been acquired from April 1, 2024, it would have reported revenue of ₹ 190.43 crore and profit after tax of ₹ 15.78 crore during 2024-25.

Intelliswift Software Inc. (Consolidated) has reported revenue of ₹ 215.97 crore and profit after tax of ₹ 7.17 crore from the date of acquisition till March 31, 2025. Had the entity been acquired from April 1, 2024, it would have reported revenue of ₹ 863.89 crore and profit after tax of ₹ 28.67 crore during 2024-25.

(vi) In respect of Intelliswift Software (India) Private Limited, out of ₹ 59.21 crore of trade receivables acquired, substantial amount has been collected till March 31, 2025.

In respect of Intelliswift Software Inc. (Consolidated), out of ₹ 139.38 crore of trade receivables acquired, substantial amount has been collected till March 31, 2025.

(vii) The Group has recognised consideration payable in accordance with terms of share purchase agreement. The consideration of ₹ 158.70 crore is payable to the erstwhile promoters of Intelliswift Software Inc. (Consolidated) upon the achievement of financial targets subject to finalisation of certain working capital adjustments. The change between provisional and final consideration will be adjusted in Goodwill during measurement period.

(c) Acquisition of Siliconch Systems Private Limited

(i) On August 9, 2024, L&T Semiconductor Technologies Limited, a Wholly Owned Subsidiary (WOS) of Larsen & Toubro Limited has acquired a 100% stake in SiliConch Systems Private Limited. Post this transaction, the said Company has now become a WOS of the Group. SiliConch Systems Private Limited operates in the IT&TS segment.

(ii) The fair value of assets acquired and liabilities recognised on the date of acquisition are as follows:

₹ crore		
<b>Assets</b>		
Non-current assets		
Property, plant and equipment	0.14	
Intellectual property	141.74	
Other intangible assets	17.28	159.16
Current assets		
Trade receivables	0.89	
Cash and cash equivalents	1.09	
Bank balances other than cash and cash equivalents	2.03	
Other assets	1.82	5.83
Total Assets		164.99

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [44] (contd.)

		₹ crore
<b>Liabilities</b>		
Non- current liabilities		
Provisions	0.73	
Deferred Tax Liability (net)	0.37	1.10
Current liabilities		
Borrowings	0.25	
Trade payables	0.93	
Other current liabilities and provisions	1.73	2.91
Total Liabilities		4.01
Net Assets acquired		160.98
(iii) Calculation of Goodwill:		₹ crore
Cash consideration upfront (A)		129.97
Fair value of Contingent consideration (B)		40.16
Total (A+B)		170.13
Less: Fair value of net assets acquired		160.98
Goodwill		9.15
(iv) Goodwill is attributable to future growth of business out of synergies from this acquisition. The goodwill is not deductible for income tax purposes.		
(v) The entity has reported revenue of ₹ 5.31 crore and profit/(loss) after tax of ₹ (10.95) crore from the date of acquisition till March 31, 2025. Had the entity been acquired from April 1, 2024, they would have reported revenue of ₹ 13.36 crore and profit/(loss) after tax of ₹ (15.62) crore during 2024-25.		
(vi) Acquired trade receivables of ₹ 0.89 crore have been fully collected till March 31, 2025.		
(vii) L&T Semiconductor Technologies Limited has recognised consideration payable in accordance with terms of share purchase agreement. The consideration of ₹ 48.29 crore is payable to the erstwhile promoters of SiliConch Systems Private Limited upon the achievement of certain targets and other conditions. The change between provisional and final consideration will be adjusted in Goodwill during measurement period.		

### NOTE [45]

Disclosure pursuant to Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations":

- Assets held for sale as at March 31, 2025, includes mainly building and plant & equipment of ₹ 157.44 crore situated at Faridabad, Haryana. The asset forms part of Realty Business which is reported under "Others" segment.
- The Company entered into a Share Purchase Agreement dated December 16, 2022 to sell its stake in Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited), a joint venture, primarily engaged in the development and operation of toll roads and power transmission assets. As on March 31, 2024, the investment in the joint venture is of ₹ 1005.36 crore is classified as "Held for Sale". Subsequently, the Company completed the sale on April 10, 2024, consequent to completion of customary conditions precedent as per the Share Purchase Agreement. The investment forms part of "Development Projects" segment.



# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [46]**

Disclosure pursuant to Ind AS 108 "Operating Segment":

(a) Information about reportable segments:

Particulars	2024-25			2023-24		
	External	Inter-segment	Total	External	Inter-segment	Total
<b>Revenue</b>						
Infrastructure Projects	129896.83	1417.69	131314.52	112550.76	1457.45	114008.21
Energy Projects	40668.18	20.99	40689.17	29538.91	31.99	29570.90
Hi-Tech Manufacturing	9695.14	485.72	10180.86	8195.95	569.34	8765.29
IT & Technology Services	47844.88	608.44	48453.32	44472.68	443.63	44916.31
Financial Services	15193.95	—	15193.95	13108.62	—	13108.62
Development Projects	5370.81	1.60	5372.41	5620.29	7.72	5628.01
Others	7064.66	751.74	7816.40	7625.70	867.19	8492.89
<b>Total</b>	255734.45	3286.18	259020.63	221112.91	3377.32	224490.23
Inter-segment revenue	—	(3286.18)	(3286.18)	—	(3377.32)	(3377.32)
<b>Total</b>	255734.45	—	255734.45	221112.91	—	221112.91
<b>Segment result [Profit/(loss) before interest and tax]</b>						
Infrastructure Projects			6921.45			5720.93
Energy Projects			3137.07			2700.63
Hi-Tech Manufacturing			1459.05			1139.77
IT & Technology Services			7682.15			7658.79
Financial Services			3491.31			3028.41
Development Projects			757.16			1014.73
Others			1934.81			1507.70
<b>Total</b>			25383.00			22770.96
Inter-segment margins on capital jobs			(116.53)			(248.61)
Finance costs			(3334.37)			(3545.85)
Unallocated corporate income net of expenditure			1171.91			1447.00
<b>Profit before exceptional items and tax</b>			23104.01			20423.50
Exceptional items (net of tax)			474.78			93.61
<b>Profit before tax</b>			23578.79			20517.11
Tax expense:						
Current tax			(6100.82)			(5127.70)
Deferred tax			209.42			180.31
<b>Profit after tax</b>			17687.39			15569.72
Share in profit/(loss) after tax of joint ventures/associates (net)			(14.06)			(22.62)
<b>Profit for the year</b>			17673.33			15547.10
Non-controlling interest			(2636.22)			(2487.99)
<b>Profit for the year attributable to Owners of the Company</b>			15037.11			13059.11

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [46] (contd.)

(a) Information about reportable segments:

₹ crore

Particulars	Segment assets		Segment liabilities	
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024
Infrastructure Projects	97183.24	97086.86	72180.50	73038.85
Energy Projects	29853.88	24833.09	27371.57	19041.27
Hi-Tech Manufacturing	13342.06	10280.09	11092.05	8926.79
IT & Technology Services	49124.05	43582.80	11420.88	10548.67
Financial Services	118627.16	100863.03	94750.56	79165.68
Development Projects	24608.87	26212.32	6546.11	7020.30
Others	16312.19	15215.84	7649.19	7240.61
Segment total	349051.45	318074.03	231010.86	204982.17
Unallocable	35248.15	27146.71	37885.06	37688.91
Inter-segment	(4775.50)	(5084.77)	(4775.50)	(5084.77)
Consolidated total	379524.10	340135.97	264120.42	237586.31

₹ crore

Particulars	Depreciation, amortisation, impairment & obsolescence included in segment expense		Non-cash expenses other than depreciation included in segment expense	
	2024-25	2023-24	2024-25	2023-24
Infrastructure Projects	1440.98	1262.73	42.41	48.14
Energy Projects	292.23	245.64	13.73	12.29
Hi-Tech manufacturing	222.37	196.84	8.21	7.60
IT & Technology Services	1633.72	1402.73	98.01	168.01
Financial Services	138.89	114.77	39.53	37.85
Development Projects	312.76	318.67	–	–
Others	127.16	110.41	4.54	3.34
Segment total	4168.11	3651.79	206.43	277.23
Unallocable	106.70	101.69	16.17	20.40
Inter-segment	(153.63)	(71.15)	–	–
Consolidated total	4121.18	3682.33	222.60	297.63

Note: Impairment loss included in segment expense: Energy Projects segment: ₹ 1.58 crore (previous year: Nil).

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [46] (contd.)**

(a) Information about reportable segments:

₹ crore

Particulars	Interest income included in segment income		Finance costs included in segment expense		Profit/(loss) of associates and joint ventures accounted applying equity method not included in segment result	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Infrastructure Projects	153.82	68.86	150.91	231.60	1.36	3.97
Energy Projects	12.81	26.04	–	–	(20.73)	(29.14)
Hi-Tech manufacturing	0.02	0.49	–	–	3.91	3.93
IT & Technology Services	410.52	392.04	–	–	2.54	–
Financial Services	547.06	467.80	5996.73	5377.19	–	–
Development Projects	20.88	23.52	375.07	423.97	(1.13)	(1.37)
Others	174.48	145.92	–	–	(0.01)	(0.01)
Segment total	1319.59	1124.67	6522.71	6032.76	(14.06)	(22.62)
Unallocable	1375.38	1719.00	(150.91)	(231.60)	–	–
Inter-segment	(223.66)	(396.60)	(69.57)	(86.26)	–	–
Consolidated total	2471.31	2447.07	6302.23	5714.90	(14.06)	(22.62)

₹ crore

Particulars	Additions to non-current assets		Investment in associates and joint ventures accounted applying equity method included in segment assets	
	2024-25	2023-24	As at 31-3-2025	As at 31-3-2024
Infrastructure Projects	3721.15	2914.42	0.60	–
Energy Projects	955.79	1266.25	1127.59	1161.72
Hi-Tech manufacturing	618.77	558.96	106.81	102.90
IT & Technology Services	2833.37	3845.40	1083.42	–
Financial Services	323.33	145.99	–	–
Development Projects	50.91	44.00	–	(0.37)
Others	888.00	926.33	–	–
Segment total	9391.32	9701.35	2318.42	1264.25
Unallocable	105.09	2228.96	–	–
Inter-segment	(799.01)	(1437.77)	–	–
Consolidated total	8697.40	10492.54	2318.42	1264.25

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [46] (contd.)

### (b) Geographical information

₹ crore

Particulars	Revenue <sup>(1)</sup>	
	2024-25	2023-24
India (i)	128168.58	126027.04
Foreign countries (ii):		
United States of America	33448.58	30881.10
Kingdom of Saudi Arabia	61002.04	40166.35
United Arab Emirates	9469.87	3160.74
Qatar	4160.25	2472.64
United Kingdom	2080.87	2172.29
Bangladesh	1188.69	1495.57
Sultanate of Oman	2373.87	1342.51
Algeria	114.82	664.19
Kuwait	1392.57	660.86
Other countries	12334.31	12069.62
<b>Total foreign countries (ii)</b>	<b>127565.87</b>	<b>95085.87</b>
<b>Total (i+ii)</b>	<b>255734.45</b>	<b>221112.91</b>

<sup>(1)</sup> Geography wise break up of revenue is based on location of project other than service industries where it is based on location of customer.

₹ crore

Particulars	Non-current assets	
	As at 31-3-2025	As at 31-3-2024
India	50796.87	50127.31
Foreign countries	3088.65	2283.85
<b>Total</b>	<b>53885.52</b>	<b>52411.16</b>

- (c) Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed 10% of the Group's total revenue.
- (d) The identification of operating segments is consistent with performance assessment and resource allocation by the management.
- (e) Segment reporting: basis of identifying operating segments, reportable segments and definition of each reportable segment:
- (i) Basis of identifying operating segments:

Operating segments are identified as those components of the Group (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Group's other components); (b) whose operating results are regularly reviewed by the Group's Corporate Executive Management to make decisions about resource allocation and performance assessment; and (c) for which discrete financial information is available.

The Group has seven reportable segments [described under "segment composition"] which are the Group's independent businesses. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements.

In arriving at the reportable segment, the seven operating segments have been aggregated and reported as "Infrastructure Projects" as these operating segments have similar economic characteristics in terms of long term average gross margins, nature of the products and services, type of customers, methods used to distribute the products and services and the nature of regulatory environment applicable to them.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [46] (contd.)

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

(iii) Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Group's Corporate Executive Management. The performance of financial services segment and finance lease activities of power development segment are measured based on segment profit (before tax) after deducting the interest expense.

The Segment Composition:

- **Infrastructure Projects segment** comprises engineering and construction of (a) building and factories, (b) transportation infrastructure, (c) heavy civil infrastructure, (d) power transmission & distribution, (e) renewable, (f) water & effluent treatment and (g) minerals and metals.
- **Energy Projects segment** comprises of (a) Hydrocarbon Onshore and Offshore businesses covering EPC solutions in oil & gas, refineries, petrochemicals & offshore wind energy sectors, from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning, (b) CarbonLite Solutions business covering EPC solutions for power generation plants including power generation equipment with associated systems and/or carbon capture utilisation & utility packages and (c) EPC solutions in green and clean energy space.
- **Hi-Tech Manufacturing segment** comprises design, manufacture/construct, supply and revamp/retrofit of (a) custom designed, engineered critical equipment & systems to the process plant, nuclear energy and green hydrogen sectors (b) marine and land platforms including related equipment & systems; aerospace products & systems; precision and electronic products & systems for the defence, security, space and industrial sectors and (c) electrolyzers.
- **IT & Technology Services segment** comprises (a) information technology and integrated engineering services (including smart infrastructure & communication projects), (b) e-commerce/digital platforms, cloud services & data centres and (c) semiconductor chip design.
- **Financial Services segment** primarily comprises retail finance.
- **Development Projects segment** comprises (a) development, operation and maintenance of metro project, including transit oriented development, (b) toll roads (upto the date of divestment) and (c) power generation & development – (i) thermal power and (ii) green energy.
- **Others segment** includes (a) realty, (b) manufacture and sale of industrial valves, (c) manufacture (upto the date of sale), marketing and servicing of construction equipment, mining machinery and parts thereof, (d) manufacture and sale of components of construction equipment and (e) manufacture and sale of rubber processing machinery. None of the businesses reported as part of others segment meet any of the quantitative thresholds for determining reportable segments for the year ended March 31, 2025.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [47]

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

(a) Disaggregation of revenue into operating segments and geographical areas:

₹ crore

Segment	2024-25				Total as per Statement of Profit and Loss/Segment report
	Revenue as per Ind AS 115			Other revenue	
	Domestic	Foreign	Total		
Infrastructure Projects	75739.21	53810.10	129549.31	347.52	129896.83
Energy Projects	13899.37	26675.28	40574.65	93.53	40668.18
Hi-Tech Manufacturing	7620.76	2061.11	9681.87	13.27	9695.14
IT & Technology Services	3726.38	44118.50	47844.88	–	47844.88
Financial Services	0.37	–	0.37	15193.58	15193.95
Development Projects	4125.65	–	4125.65	1245.16	5370.81
Others	5963.06	881.26	6844.32	220.34	7064.66
Total	111074.80	127546.25	238621.05	17113.40	255734.45

₹ crore

Segment	2023-24				Total as per Statement of Profit and Loss/Segment report
	Revenue as per Ind AS 115			Other revenue	
	Domestic	Foreign	Total		
Infrastructure Projects	78375.15	33813.10	112188.25	362.51	112550.76
Energy Projects	12074.71	17130.31	29205.02	333.89	29538.91
Hi-Tech Manufacturing	5636.37	2530.94	8167.31	28.64	8195.95
IT & Technology Services	3654.62	40818.06	44472.68	–	44472.68
Financial Services	0.84	–	0.84	13107.78	13108.62
Development Projects	4037.64	–	4037.64	1582.65	5620.29
Others	6794.47	746.90	7541.37	84.33	7625.70
Total	110573.80	95039.31	205613.11	15499.80	221112.91

(b) Break up of revenue into over a period of time and at a point in time:

₹ crore

Year	Over a period of time	At a point in time	Total
2024-25	214110.40	24510.65	238621.05
2023-24	191680.32	13932.79	205613.11

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [47] (contd.)

(c) Movement in expected credit loss ("ECL") during the year:

₹ crore

Particulars	Provision on trade receivables		Provision on contract assets	
	2024-25	2023-24	2024-25	2023-24
Provision as at April 1	4593.65	4414.84	2024.69	1602.44
Changes in allowance for ECL:				
Provision/(reversal) of allowance for ECL	595.70	332.45	11.18	427.52
Additional provision (net)	302.39	402.46	(2.45)	(4.48)
Written off as bad debts	(524.71)	(561.45)	—	—
Translation adjustment	(0.28)	5.35	0.23	(0.79)
Provision as at March 31	4966.75	4593.65	2033.65	2024.69

(d) Contract balances:

(i) Movement in contract balances during the year:

₹ crore

Particulars	2024-25			2023-24		
	Contract assets (A)	Contract liabilities (B)	Net contract balances (A-B)	Contract assets (A)	Contract liabilities (B)	Net contract balances (A-B)
Balance as at April 1	60634.06	47372.49	13261.57	55951.05	38759.52	17191.53
Balance as at March 31	61626.14	57611.37	4014.77	60634.06	47372.49	13261.57
Net increase/(decrease)	992.08	10238.88	(9246.80)	4683.01	8612.97	(3929.96)

#### Note:

Decrease in net contract balances is primarily due to lower revenue recognition as compared to progress bills raised in both the years.

- (ii) Revenue recognised from opening balance of contract liabilities amounts to ₹ 16107.88 crore (previous year: ₹ 11846.91 crore).
- (iii) Revenue recognised from the performance obligation satisfied (or partially satisfied) upto previous year (arising out of contract modifications) amounts to ₹ 1369.62 crore (previous year: ₹ 940.22 crore).

(e) Cost to obtain/fulfil the contract:

- (i) Amortisation in Statement of Profit and Loss: ₹ 22.93 crore (previous year: ₹ 31.84 crore).
- (ii) Recognised as contract assets as at March 31, 2025: ₹ 110.48 crore (as at March 31, 2024: ₹ 80.78 crore).

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [47] (contd.)

(f) Reconciliation of contracted price with revenue during the year:

₹ crore

Particulars	2024-25	2023-24
Opening contracted price of orders on hand as at April 1 <sup>(1)</sup>	1139986.52	978212.48
Add:		
Fresh orders/change orders received (net)	320378.94	278518.15
Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction (net)	11851.40	4015.43
Addition/(deletion) on account of business combination/divestment	472.65	(306.26)
Increase/(decrease) due to exchange rate movements (net) and others	6703.73	3829.86
Less:		
Orders completed during the year	107012.58	124283.14
Closing contracted price of orders on hand as at March 31 <sup>(1)</sup>	1372380.66	1139986.52
Total revenue recognised during the year	238621.05	205613.11
Less: Revenue out of orders completed during the year	33082.47	29418.23
Revenue out of orders under execution at the end of the year (i)	205538.58	176194.88
Revenue recognised upto previous year (from orders pending completion at the end of the year) (ii)	562908.01	459443.34
Increase/(Decrease) due to exchange rate movements (net) (iii)	(5005.29)	(1339.81)
Balance revenue to be recognised in future viz. Order book (iv)	608939.36	505688.11
Closing contracted price of orders on hand as at March 31 <sup>(1)</sup> (i+ii+iii+iv)	1372380.66	1139986.52

<sup>(1)</sup> including full value of partially executed contracts

(g) Outstanding performance and time for its expected conversion into revenue:

₹ crore

Outstanding performance	Total	Time for expected conversion in revenue					
		Upto 1 Year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Beyond 5 years
As at March 31, 2025	608939.36	271918.79	179848.18	93847.88	37962.08	17143.40	8219.03
As at March 31, 2024	505688.11	219544.63	158114.25	67877.58	27805.89	12857.99	19487.77

(h) The Group has undertaken a project for construction, operation and maintenance of the Metro Rail System on Design-Build-Finance-Operate-Transfer (DBFOT) basis as per the concession agreement with the government authorities. The significant terms of the arrangement are as under:

<b>Period of the concession</b>	Initial period of 35 years and extendable by another 25 years at the option of the concessionaire subject to fulfilment of certain conditions under concession agreement. Considered further extension of initial concession period by 7 years in terms of Article 29 of Concession Agreement.
<b>Remuneration</b>	Fare collection rights from the users of the Metro Rail System, license to use land provided by the government for constructing depots and for transit oriented development and earn lease rental income on such development and grant of viability gap fund.
<b>Funding from grantor</b>	Viability Gap Funding of ₹ 1458 crore.
<b>Infrastructure return at the end of the concession period</b>	Being DBFOT project, the project assets have to be transferred at the end of concession period.



# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [47] (contd.)

<b>Renewal and termination options</b>	Further extension of 25 years will be granted at the option of the concessionaire upon satisfaction of Key Performance Indicators laid under the concession agreement. This option is to be exercised by the concessionaire during the 33rd year of the initial concession period. Termination of the concession agreement can either be due to (a) force majeure (b) non political event (c) Indirect political event (d) political event. On occurrence of any of the above events, the obligations, dispute resolution, termination payments etc are as detailed in the concession agreement.
<b>Rights &amp; Obligations</b>	<p>Major obligations of the concessionaire are relating to:</p> <ul style="list-style-type: none"> <li>(a) project agreements</li> <li>(b) change in ownership</li> <li>(c) issuance of Golden Share to the Government</li> <li>(d) maintenance of aesthetic quality of the Rail System</li> <li>(e) operation and maintenance of the rolling stock and equipment necessary and sufficient for handling users equivalent to 110% of the Average PHPDT etc.</li> </ul> <p>Major obligations of the Government are:</p> <ul style="list-style-type: none"> <li>(a) providing required constructible right of way for construction of rail system and land required for construction of depots and transit oriented development</li> <li>(b) providing reasonable support and assistance in procuring applicable permits required for construction</li> <li>(c) providing reasonable assistance in obtaining access to all necessary infrastructure facilities and utilities</li> <li>(d) obligations relating to competing facilities</li> <li>(e) obligations relating to supply of electricity etc.</li> </ul>
<b>Classification of service arrangement</b>	The service arrangement has been classified as a Service Concession Arrangement for a PPP project as per Appendix C to Ind AS 115- Revenue from contracts with customers. Accordingly, construction revenues and expenses are accounted during construction phase and intangible asset is recognised towards rights to charge the users of the system.
<b>Construction revenue recognised</b>	₹ 4.12 crore (previous year: ₹ 8.50 crore) [included in Note 47(a) above]

## NOTE [48]

### (a) Exceptional Items (net of tax) for 2024-25 represents:

The Parent Company entered into a Joint Venture Termination Agreement with Nuclear Power Corporation of India Limited (NPCIL) on February 18, 2025 for purchase of NPCIL's 26% equity and preference shareholdings in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF) and assignment of NPCIL loan to LTSSHF for a consideration of ₹ 170 crore. Pursuant to this, LTSSHF has become a wholly owned subsidiary of the Parent and accordingly consolidated in the financial statements of the Group with effect from February 18, 2025. The exceptional item during the year ended March 31, 2025 of ₹ 474.78 crore represents (i) partial reversal of funded resources impaired in earlier years: ₹ 459.94 crore [Note 44(a)] and (ii) reversal of provision towards constructive obligation: ₹ 14.84 crore.

### (b) Exceptional Items (net of tax) for 2023-24 include:

- (i) Gain on divestment of stake in Neelambur Madukkarai Tollway Limited (formerly known as L&T Transportation Infrastructure Limited), a subsidiary of Epic Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) [L&T IDPL]: ₹ 60.56 crore.
- (ii) Reversal of impairment of investment in L&T IDPL net off customary closing adjustments: ₹ 33.05 crore.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [49]

Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements":

(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

₹ crore

Sr. No.	Particulars	Note	As at 31-3-2025			As at 31-3-2024		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Inventories	11	5650.00	2020.55	7670.55	4255.68	2364.51	6620.19
2	Trade receivables	13	52693.55	1020.13	53713.68	47423.41	1347.55	48770.95
3	Other loans	17	416.85	–	416.85	106.54	–	106.54
4	Other financial assets	18	5342.05	77.84	5419.89	5415.40	148.51	5563.92
5	Other current assets	19	64702.69	10857.14	75559.83	54879.89	16511.14	71391.03

(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

₹ crore

Sr. No.	Particulars	Note	As at 31-3-2025			As at 31-3-2024		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Lease liability		563.17	21.17	584.34	513.61	34.06	547.67
2	Trade payables:							
	Due to micro enterprises and small enterprises		1399.71	17.94	1417.65	995.75	22.96	1018.71
	Due to others	28	50276.29	765.40	51041.69	51532.67	741.50	52274.17
3	Other financial liabilities	29	6240.61	32.76	6273.37	7553.13	22.54	7575.67
4	Other current liabilities	30	54406.69	8920.28	63326.97	41953.10	10230.98	52184.08
5	Provisions	31	4450.02	241.65	4691.67	3853.82	262.07	4115.89

## Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [50]**

Disclosure with regard to changes in liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows":

₹ crore

Sr. No.	Particulars	Non-current borrowings (Note 22)	Current borrowings (Note 26)	Current maturities of long-term borrowings (Note 27)	Non-current lease liability	Current lease liability	Total
i	Balance as at 1-4-2023	61217.68	30896.32	26399.38	1646.31	490.75	120650.44
ii	Additions to lease liability	–	–	–	686.21	98.84	785.05
iii	Changes from financing cash flows	22084.03	(2871.15)	(23315.25)	(275.10)	(184.79)	(4562.26)
iv	Effect of changes in foreign exchange rates	34.16	6.12	0.01	21.32	27.33	88.94
v	Interest accrued (net of interest paid)	819.62	(195.29)	(516.85)	0.18	(0.18)	107.48
vi	Other changes (transfer within categories)	(27131.24)	–	27131.24	(116.43)	116.43	–
vii	De-recognition on termination/divestment	–	(1.73)	–	(227.71)	(0.71)	(230.15)
viii	Classified as deferred government grant	(517.28)	–	–	–	–	(517.28)
ix	Balance as at 31-3-2024 (ix = i to viii)	56506.97	27834.27	29698.53	1734.78	547.67	116322.22
x	Additions to lease liability	–	–	–	1063.69	186.41	1250.10
xi	Changes from financing cash flows	37101.00	8297.43	(29683.70)	(71.52)	(490.91)	15152.30
xii	Effect of changes in foreign exchange rates	4.22	–	57.82	(12.22)	(0.06)	49.76
xiii	Interest accrued (net of interest paid)	142.94	(265.22)	(129.74)	–	–	(252.02)
xiv	Other changes (transfer within categories)	(36251.79)	–	36251.79	(417.47)	417.47	–
xv	De-recognition/addition on termination/divestment/ business combination	–	(5.18)	–	(32.02)	(76.24)	(113.44)
xvi	Balance as at 31-3-2025 (xvi = x to xv)	57503.34	35861.30	36194.70	2265.24	584.34	132408.92

Amounts reported in Statement of Cash Flows under financing activities:

₹ crore

Sr. No.	Particulars	2024-25	2023-24
a	Proceeds from non-current borrowings	38199.71	23125.43
b	Repayment of non-current borrowings	(30782.41)	(24356.65)
c	Proceeds from/(repayment of) other borrowings (net)	8297.30	(2871.15)
d	Repayment of lease liability	(562.30)	(459.89)
e	Total changes from financing cash flows (e = a to d)	15152.30	(4562.26)

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [51]

Disclosure pursuant to Ind AS 12 "Income Taxes":

(a) Major components of tax expense/(income):

₹ crore

Sr. No.	Particulars	2024-25	2023-24
	Consolidated Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current income tax:		
	Current income tax expense	6249.57	5566.44
	Effect of previously unrecognised tax losses and tax offsets used during the year	(265.33)	(311.90)
	Tax expense of earlier years	116.58	(106.01)
		6100.82	5148.53
	(ii) Deferred tax:		
	Tax expense on origination and reversal of temporary differences	(160.17)	(182.58)
	Effect of previously unrecognised tax losses and tax offsets on which deferred tax benefit is recognised	(49.25)	2.27
		(209.42)	(180.31)
	<b>Income tax expense/(income) [(i)+(ii)]</b>	<b>5891.40</b>	<b>4968.22</b>
(b)	Other comprehensive income section:		
	(i) Items that will not be reclassified to profit or loss:		
	(A) Current tax expense/(income):		
	On remeasurement of net defined benefit plans	(68.28)	7.62
		(68.28)	7.62
	(B) Deferred tax expense/(income):		
	On remeasurement of net defined benefit plans	(0.96)	0.99
		(0.96)	0.99
	(ii) Items that will be reclassified to profit or loss:		
	(A) Current tax expense/(income):		
	On gain/(loss) on cash flow hedges other than mark to market	(46.65)	(44.52)
	On exchange differences in translating the financial statements of foreign operations	(3.92)	–
		(50.57)	(44.52)
	(B) Deferred tax expense/(income):		
	On gain/(loss) on cost of hedging reserve	48.10	0.03
	On mark to market gain/(loss) on cash flow hedges	53.03	165.88
	On gain/(loss) on fair valuation of debt instruments	55.38	26.97
	On exchange differences in translating the financial statements of foreign operations	–	(1.74)
		156.51	191.14
	<b>Income tax expense/(income) [(i)+(ii)]</b>	<b>36.70</b>	<b>155.23</b>

## Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [51] (contd.)**

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ crore

Sr. No.	Particulars	2024-25	2023-24
(a)	Profit before tax (including exceptional items):	23578.79	20537.94
(b)	Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%
(c)	Tax on accounting profit [(c)=(a)*(b)]	5934.31	5168.99
(d)	(i) Tax effect on Corporate Social Responsibility expenses, not tax deductible	81.84	69.03
	(ii) Tax effect on impairment/(reversal) and fair valuation losses/(gains) recognised on which deferred tax asset is not recognised	(5.90)	(140.82)
	(iii) Tax effect of losses of current year on which no deferred tax asset is recognised	227.28	248.08
	(iv) Effect of previously unrecognised tax losses used to reduce tax expense	(314.58)	(309.63)
	(v) Effect of lower tax rate on capital gains	(88.09)	(15.06)
	(vi) Tax expense of earlier years	116.58	(106.01)
	(vii) Tax effect on various other Items	(60.04)	53.64
	Total effect of tax adjustments [(i) to (vii)]	(42.91)	(200.77)
(e)	Tax expense recognised during the year [(e)=(c)+(d)]	5891.40	4968.22
(f)	Effective tax rate [(f)=(e)/(a)]	24.99%	24.19%

(c) (i) Unused tax losses for which no deferred tax asset is recognised in Balance Sheet:

Particulars	As at 31-3-2025		As at 31-3-2024	
	₹ crore	Expiry year	₹ crore	Expiry year
Tax losses (Business loss and unabsorbed depreciation)				
- Amount of losses having expiry	5688.04	FY 2025-26 to FY 2032-33	5155.05	FY 2024-25 to FY 2031-32
- Amount of losses having no expiry	5224.94	NA	4667.98	NA
Tax losses (Capital loss)	6870.82	FY 2025-26 to FY 2031-32	2629.33	FY 2024-25 to FY 2031-32
<b>Total</b>	<b>17783.80</b>		<b>12452.36</b>	

(ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet:

₹ crore

Sr. No.	Particulars	As at 31-3-2025	As at 31-3-2024
(a)	Towards provision for diminution in value of investments/loans	790.21	1929.03
(b)	Arising out of upward revaluation of tax base of assets (on account of indexation benefit*)	–	4156.49
(c)	Other items giving rise to temporary differences	1371.25	1371.25
	<b>Total</b>	<b>2161.46</b>	<b>7456.77</b>

\* Pursuant to amendment in Finance Act 2024, indexation benefit is no longer available on long term capital asset.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [51] (contd.)

(d) Major components of deferred tax liabilities and deferred tax assets:

₹ crore

Particulars	Deferred tax liabilities/ (assets) as at 1-4-2023	Charge/ (credit) to Statement of Profit and Loss	Effect due to disposal	Charge/ (credit) to Other comprehensive income (OCI)	Debit/(credit) to hedge reserve (other than through OCI)	Recognised through Balance Sheet	Exchange difference	Deferred tax liabilities/ (assets) as at 31-3-2024
<b>Deferred tax liabilities:</b>								
- Difference between book base and tax base of property, plant and equipment, investment property and intangible assets	2886.37	186.65	0.02	—	—	—	0.09	3073.13
- Disputed statutory liabilities paid and claimed as deduction for tax purposes but not debited to Statement of Profit and Loss	198.95	1.77	—	—	—	—	—	200.72
- Net gain/(loss) on derivative transactions to be offered for tax purposes in the year of transfer/ settlement	(1.72)	(0.19)	—	165.91	(4.48)	—	—	159.52
- Other items giving rise to temporary differences	732.15	70.96	—	(0.19)	—	—	1.53	804.45
Deferred tax liabilities	3815.75	259.19	0.02	165.72	(4.48)	—	1.62	4237.82
Offsetting of deferred tax liabilities with deferred tax (assets)	(3185.32)							(3704.19)
<b>Net deferred tax liabilities</b>	630.43							533.63
<b>Deferred tax (assets):</b>								
- Provision on expected credit loss (ECL)	(2970.65)	294.09	3.44	—	—	—	—	(2673.12)
- Unpaid statutory liabilities	(331.76)	33.62	0.88	—	—	—	—	(297.26)
- Unabsorbed depreciation	(2688.82)	(235.97)	—	—	—	—	—	(2924.79)
- Brought forward tax losses	(26.73)	24.22	—	—	—	—	(0.26)	(2.77)
- Unutilised MAT credit	(176.20)	(41.92)	—	—	—	5.26	—	(212.86)
- Other items giving rise to temporary differences	(975.95)	(513.54)	2.49	26.41	—	3.89	(0.41)	(1457.11)
Deferred tax (assets)	(7170.11)	(439.50)	6.81	26.41	—	9.15	(0.67)	(7567.91)
Offsetting of deferred tax (assets) with deferred tax liabilities	3185.32							3704.19
<b>Net deferred tax (assets)</b>	(3984.79)							(3863.72)
<b>Net deferred tax liability/(assets)</b>	(3354.36)	(180.31)	6.83	192.13	(4.48)	9.15	0.95	(3330.09)

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [51] (contd.)

₹ crore

Particulars	Deferred tax liabilities/ (assets) as at 31-3-2024	Charge/ (credit) to Statement of Profit and Loss	Effect due to acquisition	Charge/ (credit) to Other comprehensive income (OCI)	Debit/(credit) to hedge reserve (other than through OCI)	Recognised through Balance Sheet	Exchange difference	Deferred tax liabilities/ (assets) as at 31-3-2025
<b>Deferred tax liabilities:</b>								
- Difference between book base and tax base of property, plant and equipment, investment property and intangible assets	3073.13	85.68	0.50	—	—	—	(0.48)	3158.83
- Disputed statutory liabilities paid and claimed as deduction for tax purposes but not debited to Statement of Profit and Loss	200.72	60.33	—	—	—	—	—	261.05
- Net gain/(loss) on derivative transactions to be offered for tax purposes in the year of transfer/ settlement	159.52	0.53	—	101.13	(0.03)	—	—	261.15
- Other items giving rise to temporary differences	804.45	76.74	4.51	(0.20)	—	—	8.18	893.68
Deferred tax liabilities	4237.82	223.28	5.01	100.93	(0.03)	—	7.70	4574.71
Offsetting of deferred tax liabilities with deferred tax (assets)	(3704.19)							(4164.70)
<b>Net deferred tax liabilities</b>	533.63							410.01
<b>Deferred tax (assets):</b>								
- Provision on expected credit loss (ECL)	(2673.12)	(87.82)	—	—	—	—	—	(2760.94)
- Unpaid statutory liabilities	(297.26)	(109.45)	—	—	—	—	—	(406.71)
- Unabsorbed depreciation	(2924.79)	(172.82)	—	—	—	—	—	(3097.61)
- Brought forward tax losses	(2.77)	(96.76)	—	—	—	—	—	(99.53)
- Unutilised MAT credit	(212.86)	59.14	—	—	—	0.05	—	(153.67)
- Other items giving rise to temporary differences	(1457.11)	(24.99)	(10.57)	54.62	—	3.89	(4.96)	(1439.12)
Deferred tax (assets)	(7567.91)	(432.70)	(10.57)	54.62	—	3.94	(4.96)	(7957.58)
Offsetting of deferred tax (assets) with deferred tax liabilities	3704.19							4164.70
<b>Net deferred tax (assets)</b>	(3863.72)							(3792.88)
<b>Net deferred tax liability/(assets)</b>	(3330.09)	(209.42)	(5.56)	155.55	(0.03)	3.94	2.74	(3382.87)

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [52]

Disclosure pursuant to Ind AS 19 "Employee Benefits" [Note 1(II)(p)]:

- (a) Defined contribution plans: ₹ 1776.86 crore (previous year: ₹ 1579.73 crore) has been incurred and is included in "Employee benefits expense".
- (b) Defined benefit plans:
- (i) The amounts recognised in Balance Sheet are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024	As at 31-3-2025	As at 31-3-2024
A) Present value of defined benefit obligation								
– Wholly funded	2008.27	1572.21	–	–	–	–	10727.71	9173.37
– Wholly unfunded	405.99	301.67	455.16	395.76	402.63	382.26	–	–
	2414.26	1873.88	455.16	395.76	402.63	382.26	10727.71	9173.37
Less: Fair value of plan assets	1531.52	1375.36	–	–	–	–	11277.55	9596.45
Add: Amount not recognised as an asset [limit in para 64(b)]	0.01	0.16	–	–	–	–	549.84	423.08
Amount to be recognised as liability/(asset)	882.75	498.68	455.16	395.76	402.63	382.26	–	–
B) Amounts reflected in the Balance Sheet:								
Liabilities	882.75	499.06	455.16	395.76	402.63	382.26	140.44	119.63
Assets	–	(0.38)	–	–	–	–	–	–
Net liability/(asset)	882.75	498.68	455.16	395.76	402.63	382.26	140.44 <sup>[1]</sup>	119.63 <sup>[1]</sup>
Net liability/(asset) - Current	882.75	498.68	21.58	19.84	31.26	30.39	140.44	119.63
Net liability/(asset) - Non-current	–	–	433.58	375.92	371.37	351.87	–	–

<sup>[1]</sup> Employer's and employee's contribution due towards Provident Fund.

- (ii) The amounts recognised in Statement of Profit and Loss are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1 Current service cost	313.31	280.73	16.80	22.37	2.80	3.14	605.26 <sup>[2]</sup>	534.16 <sup>[2]</sup>
2 Interest cost	114.60	100.83	27.74	25.72	26.36	26.92	778.74	641.14
3 Interest income on plan assets	(95.12)	(80.13)	–	–	–	–	(778.74)	(641.14)
4 Actuarial (gains)/losses - Difference between actual return on plan assets and interest income	(21.53)	(48.31)	–	–	–	–	(128.23)	(243.28)
5 Actuarial (gains)/losses - Others	276.73	30.02	36.05	(15.23)	16.50	4.72	–	–
6 Past service cost	(4.81)	5.13	–	27.18	4.02	–	–	–
7 Actuarial gains/(losses) not recognised in books	–	–	–	–	–	–	128.23	243.28
8 Translation adjustments	(0.36)	(0.38)	–	–	–	–	–	–
<b>Total (1 to 8)</b>	<b>582.82</b>	<b>287.89</b>	<b>80.59</b>	<b>60.04</b>	<b>49.68</b>	<b>34.78</b>	<b>605.26</b>	<b>534.16</b>

<sup>[2]</sup> Employer's contribution to provident fund.



# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [52] (contd.)

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
I. Amount included in "Employee benefits expense"	308.23	285.52	16.80	49.55	6.82	3.14	605.26	534.16
II. Amount included as part of "Manufacturing, construction and operating expenses"	0.27	0.80	—	—	—	—	—	—
III. Amount included as part of "Finance costs"	19.12	19.86	27.74	25.72	26.36	26.92	—	—
IV. Amount included as part of "Other comprehensive income"	255.20	(18.29)	36.05	(15.23)	16.50	4.72	—	—
Total (I+II+III+IV)	582.82	287.89	80.59	60.04	49.68	34.78	605.26	534.16
Actual return on plan assets	116.65	128.44	—	—	—	—	906.97	884.42

- (iii) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Opening balance of the present value of defined benefit obligation	1873.88	1623.58	395.76	352.74	382.26	375.27	9173.37	6992.32
Add: Current service cost	313.31	280.73	16.80	22.37	2.80	3.14	605.26 <sup>[2]</sup>	534.16 <sup>[2]</sup>
Add: Interest cost	114.60	100.83	27.74	25.72	26.36	26.92	778.74	641.14
Add: Contribution by plan participants								
- Employee	—	—	—	—	—	—	1020.70	920.17
Add/(less): Actuarial (gains)/losses arising from changes in -								
i) Demographic assumptions	213.60	(8.71)	(3.84)	(35.62)	—	—	—	—
ii) Financial assumptions	60.12	35.51	27.41	9.83	13.67	7.58	—	—
iii) Experience adjustments	3.01	3.22	12.48	10.56	2.83	(2.86)	—	—
Less: Benefits paid	(202.94)	(166.94)	(21.19)	(16.76)	(29.31)	(27.79)	(1388.36)	(1081.79)
Add: Past service cost	(4.81)	5.13	—	27.18	4.02	—	—	—
Add: Liabilities assumed/(transferred)	30.09	0.29	—	(0.26)	—	—	534.15	1165.03
Add: Business combination/disposal	12.80	(2.84)	—	—	—	—	—	—
Add: Adjustment for earlier years	—	—	—	—	—	—	3.85	1.75
Add/(less): Translation/other adjustments	0.60	3.08	—	—	—	—	—	0.59
Closing balance of the present value of defined benefit obligation	2414.26	1873.88	455.16	395.76	402.63	382.26	10727.71	9173.37

<sup>[2]</sup> Employer's contribution to provident fund.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [52] (contd.)

- (iv) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Trust-managed provident fund plan	
	2024-25	2023-24	2024-25	2023-24
Opening balance of the fair value of the plan assets	1375.36	1094.48	9596.45	7165.44
Add: Interest income on plan assets <sup>[3]</sup>	95.12	80.13	778.74	641.14
Add/(Less): Actuarial gains/(losses) - Difference between actual return on plan assets and interest income	21.53	48.31	128.23	243.28
Add: Contribution by the employer	203.74	273.85	596.14	528.76
Add: Contribution by plan participants	—	—	1023.13	934.54
Add: Assets assumed/(transferred)	(1.78)	(0.74)	534.15	1165.03
Add: Business combination/disposal (net)	2.07	(0.79)	—	—
Less: Benefits paid	(154.75)	(119.88)	(1388.36)	(1081.79)
Add: Adjustment for earlier years	—	—	9.07	0.05
Less: Translation/other adjustments	(9.77)	—	—	—
Closing balance of the plan assets	1531.52	1375.36	11277.55	9596.45

**Notes:** The fair value of the plan assets under the trust managed provident fund plan has been determined at amounts based on their value at the time of redemption, assuming a constant rate of return to maturity.

<sup>[3]</sup> Basis used to determine interest income on plan assets:

The Trust formed by the Parent Company and a few subsidiaries manage the investments of provident funds and gratuity fund. Interest income on plan assets is determined by multiplying the fair value of the plan assets by the discount rate stated in (vii) below both determined at the start of the annual reporting period."

The Group expects to fund ₹ 464.27 crore (previous year: ₹ 193.49 crore) towards its gratuity plan and ₹ 280.75 crore (previous year: ₹ 282.75 crore) towards its trust-managed provident fund plan during the year 2025-26.

- (v) The fair value of major categories of plan assets are as follows:

₹ crore

Particulars	Gratuity plan					
	As at 31-3-2025			As at 31-3-2024		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	—	3.42	3.42	—	4.35	4.35
Equity instruments	43.05	—	43.05	46.51	—	46.51
Debt instruments - Corporate bonds	266.98	—	266.98	252.62	—	252.62
Debt instruments - Central Government bonds	129.27	—	129.27	134.93	—	134.93
Debt instruments - State Government bonds	216.23	—	216.23	210.18	—	210.18
Debt instruments - Public Sector Unit bonds	18.55	—	18.55	19.16	—	19.16
Mutual funds - Equity	38.96	87.97	126.93	36.61	73.85	110.46
Mutual funds - Debt	—	—	—	2.25	4.01	6.26
Special deposit scheme	—	1.48	1.48	—	1.48	1.48
Fixed deposits	—	5.16	5.16	—	3.84	3.84
Insurer managed fund	—	711.46	711.46	—	571.78	571.78
Others	1.02	7.97	8.99	0.58	13.21	13.79
Closing balance of the plan assets	714.06	817.46	1531.52	702.84	672.52	1375.36

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [52] (contd.)

₹ crore

Particulars	Trust-managed provident fund plan					
	As at 31-3-2025			As at 31-3-2024		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	—	13.27	13.27	—	12.22	12.22
Equity instruments	439.25	—	439.25	485.07	—	485.07
Debt instruments - Corporate bonds	3866.07	—	3866.07	3175.01	—	3175.01
Debt instruments - Central Government bonds	945.90	—	945.90	963.00	—	963.00
Debt instruments - State Government bonds	4233.98	—	4233.98	3358.65	—	3358.65
Debt instruments - Public Sector Unit bonds	137.49	—	137.49	334.97	—	334.97
Mutual funds - Equity	213.84	911.76	1125.60	193.57	611.72	805.29
Mutual funds - Debt	—	—	—	27.30	6.68	33.98
Mutual funds - Others	—	—	—	7.51	—	7.51
Special deposit scheme	—	215.83	215.83	—	231.72	231.72
Fixed deposits	—	9.53	9.53	—	1.36	1.36
InvIT instruments	271.54	—	271.54	165.43	—	165.43
Others	12.65	6.44	19.09	2.42	19.82	22.24
Closing balance of the plan assets	10120.72	1156.83	11277.55	8712.93	883.52	9596.45

- (vi) The average duration (in number of years) of the defined benefit obligation at the Balance Sheet date is as follows:

Plans	As at 31-3-2025	As at 31-3-2024
1. Gratuity	5.97	5.57
2. Post-retirement medical benefit plan	12.50	12.13
3. Pension plan	7.37	7.26

- (vii) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted average):

Plans	As at 31-3-2025	As at 31-3-2024
(A) Discount rate:		
(a) Gratuity plan	6.60%	7.15%
(b) Post-retirement medical benefit plan	6.60%	7.15%
(c) Pension plan	6.60%	7.15%
(B) Annual increase in healthcare costs	0%	0%
(C) Salary growth rate:		
(a) Gratuity plan	6.97%	6.71%
(b) Pension plan	9.00%	9.00%

- (D) Attrition rate for various age groups:

- For gratuity plan, the entity wise attrition rate varies from 1% to 48% (previous year: 1% to 48%).
- For post-retirement medical benefit plan, the entity wise attrition rate varies from 1% to 23% (previous year: 1% to 30%).
- For pension plan, the entity wise attrition rate varies from 0% to 2% (previous year: 0% to 2%).

- (E) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- (F) The interest payment obligation of trust-managed provident fund is expected to be adequately covered by the interest income on long term investments of the fund. Any shortfall in the interest income over the interest obligation is recognised in the Statement of Profit and Loss as actuarial losses.

- (G) The obligation of the Group under the post-retirement medical benefit plan is limited to the overall ceiling limits.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [52] (contd.)

(H) A one percentage point change in actuarial assumptions would have the following effects on defined benefit obligation:

Particulars	Effect of 1% increase		Effect of 1% decrease	
	As at	As at	As at	As at
	31-3-2025	31-3-2024	31-3-2025	31-3-2024
Gratuity				
Impact of change in salary growth rate	142.79	101.44	(130.48)	(93.05)
Impact of change in discount rate	(129.29)	(92.23)	144.55	102.29
Post-retirement medical benefit plan				
Impact of change in health care cost	10.23	8.24	(10.48)	(9.10)
Impact of change in discount rate	(52.56)	(44.42)	65.50	55.12
Pension plan				
Impact of change in discount rate	(27.51)	(25.84)	31.44	29.46

₹ crore

(viii) Characteristics of defined benefit plans and associated risks:

(A) Gratuity plan:

The Parent Company operates gratuity plan through a trust whereby every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable to vested employees at retirement, death while in employment or on termination of employment. The benefit vests after five years of continuous service. The Company's scheme is more favourable as compared to the obligation under The Payment of Gratuity Act, 1972.

The defined benefit plans for gratuity of the Parent Company and material domestic subsidiary companies are administered by separate gratuity funds that are legally separate from the Parent Company and the material domestic subsidiary companies. The trustees nominated by the Group are responsible for the administration of the plans. There are no minimum funding requirements of these plans. The funding of these plans is based on gratuity fund's actuarial measurement framework set out in the funding policies of the plan. These actuarial measurements are similar compared to the assumptions set out in (vii) above. An insignificant portion of the gratuity plan of the Group attributable to subsidiary companies is administered by the respective subsidiary companies and is funded through insurer managed funds. A part of the gratuity plan is unfunded and managed within the Group. Further, the unfunded portion also includes amounts payable in respect of the Group's foreign operations which result in gratuity payable to employees engaged as per the local laws of country of operation. Employees do not contribute to any of these plans.

(B) Post-retirement medical care plan:

The post-retirement medical benefit plan provides for reimbursement of health care costs to certain categories of employees post their retirement. The reimbursement is subject to an overall ceiling sanctioned based on cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

(C) Pension plan:

In addition to contribution to State-managed pension plan (EPS scheme), the Group operates a post-retirement pension scheme, which is discretionary in nature for certain cadres of employees. The quantum of pension depends on the cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

(D) Trust-managed provident fund plan:

The Parent Company and a few subsidiaries manage provident fund plan through a provident fund trust for its employees which is permitted under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution and additional sums at their discretion. The plan guarantees interest at the rate notified by the provident fund authority. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

Any loss/gain arising out of the investment risk and actuarial risk associated with the plan is also recognised as expense or income in the period in which such loss/gain occurs.

All the above defined benefit plans expose the Group to general actuarial risks such as interest rate risk and market (investment) risk.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [53]

Disclosure pursuant to Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance":

During the year, the Group has recognised the Government Grants as below:

	₹ crore	
Particulars	2024-25	2023-24
(i) Income/reduction from underlying expenses recognised towards export incentives, duty drawback and other schemes	177.35	98.38
(ii) Benefit towards employee benefit expenses for COVID-19 pandemic	—	1.59
(iii) Tax credit for Research & Development in foreign jurisdiction(s)	7.59	4.46
(iv) Incentives under the Investment Promotion Scheme for manufacturing facility	2.26	1.38

## NOTE [54]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures":

(a) List of related parties:

(i) Name of associate entities with whom transactions were carried out during the year:

### Associate entities:

1 Magtorq Private Limited	2 Magtorq Engineering Solutions Private Limited <sup>[1]</sup>
3 Larsen & Toubro Qatar & HBK Contracting Co. WLL <sup>[2]</sup>	4 L&T Camp Facilities LLC <sup>[2]</sup>
5 Indian Foundation For Quality Management <sup>[3]</sup>	

<sup>[1]</sup> Divested w.e.f September 27, 2024

<sup>[2]</sup> Under liquidation

<sup>[3]</sup> Acquired on September 19, 2024 and ceased to be an associate on December 16, 2024

(ii) Name of joint venture entities with whom transactions were carried out during the year:

### Joint Venture entities:

1 EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited) <sup>[5]</sup>	2 Palanpur-Swaroopgunj Road Project Limited (formerly known as L&T Interstate Road Corridor Limited) <sup>[5]</sup>
3 Ahmedabad - Maliya Tollway Limited <sup>[5]</sup>	4 Hydrocarbon Arabia Limited Company <sup>[1]</sup>
5 Panipat Elevated Corridor Limited <sup>[5]</sup>	6 Rajkot - Vadinar Tollway Limited (formerly known as L&T Rajkot-Vadinar Tollway Limited) <sup>[5]</sup>
7 Vadodara Bharuch Tollway Limited <sup>[5]</sup>	8 Deccan Tollways Limited (formerly known as L&T Deccan Tollways Limited) <sup>[5]</sup>
9 Samkhiali Bhachau Gandhidham Tollway Limited (formerly known as L&T Samakhiali Gandhidham Tollway Limited) <sup>[5]</sup>	10 Kudgi Transmission Limited <sup>[5]</sup>
11 Sambalpur - Rourkela Tollway Limited (formerly known as L&T Sambalpur-Rourkela Tollway Limited) <sup>[5]</sup>	12 Neelambur Madukkarai Tollway Limited (formerly known as L&T Transportation Infrastructure Limited) <sup>[5]</sup>
13 L&T - MHI Power Boilers Private Limited	14 L&T - MHI Power Turbine Generators Private Limited
15 L&T-Sargent & Lundy Limited	16 L&T Howden Private Limited
17 L&T Sapura Shipping Private Limited	18 L&T Offshore Private Limited (formerly known as L&T Sapura Offshore Private Limited) <sup>[3]</sup>
19 L&T Special Steels and Heavy Forgings Private Limited <sup>[7]</sup>	20 L&T MBDA Missile Systems Limited
21 Raykal Aluminium Company Private Limited	22 L&T Infrastructure Engineering Limited and LEA Associates South Asia Private Limited JV LLP <sup>[4]</sup>
23 GH4India Private Limited <sup>[2]</sup>	24 Rewin Infrastructure Limited <sup>[5]</sup>
25 L&T Hydrocarbon Caspian LLC <sup>[6]</sup>	26 LTIM Aramco Digital Solutions for Information Technology <sup>[8]</sup>

<sup>[1]</sup> Incorporated on June 19, 2023

<sup>[2]</sup> Incorporated on August 25, 2023

<sup>[3]</sup> Merged with Larsen & Toubro Limited w.e.f. April 1, 2024

<sup>[4]</sup> Divested w.e.f January 3, 2024

<sup>[5]</sup> Divested w.e.f April 10, 2024

<sup>[6]</sup> Liquidated w.e.f September 25, 2023

<sup>[7]</sup> Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025 due to purchase of balance stake

<sup>[8]</sup> Incorporated on November 22, 2024

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [54] (contd.)

(iii) Name of post-employment benefit plans with whom transactions were carried out during the year:

### (A) Provident Fund Trusts:

1 Larsen & Toubro Officers & Supervisory Staff Provident Fund	2 Larsen & Toubro Limited Provident Fund of 1952
3 Larsen & Toubro Limited Provident Fund	4 L&T Kansbahal Officers & Supervisory Provident Fund
5 L&T Kansbahal Staff & Workmen Provident Fund	6 L&T Construction Equipment Employees Provident Fund Trust
7 L&T Valves Employees Provident Fund	8 L&T Energy Hydrocarbon Engineering Staff Provident Fund

### (B) Gratuity Trusts:

1 Larsen & Toubro Officers & Supervisors Gratuity Fund	2 Larsen & Toubro Gratuity Fund
3 L&T Technology Services Limited Employee Group Gratuity Scheme	4 Nabha Power Limited Employees' Group Gratuity Assurance Scheme
5 LTIMindtree Employees' Group Gratuity Assurance Scheme	6 LTIMindtree Limited Employees Gratuity Fund Trust
7 L&T Valves Workmen Gratuity Trust	8 L&T Energy Hydrocarbon Engineering Officers and Supervisors Gratuity Fund

### (C) Superannuation Trust:

1 Larsen & Toubro Limited Senior Officers' Superannuation Scheme
--

(iv) Name of Key Management Personnel (of the Parent Company) and close members of their family with whom transactions were carried out during the year:

### (A) Executive Directors:

1 Mr. S. N. Subrahmanyam <sup>[1]</sup> (Chairman & Managing Director)	2 Mr. R. Shankar Raman (President, Whole-time Director & Chief Financial Officer)
3 Mr. Subramanian Sarma (Deputy Managing Director and President)	4 Mr. D. K. Sen (Whole-time Director) <sup>[2]</sup>
5 Mr. M. V. Satish (Whole-time Director) <sup>[3]</sup>	6 Mr. S. V. Desai (Whole-time Director)
7 Mr. T. Madhava Das (Whole-time Director)	8 Mr. Anil Parab (Whole-time Director)

<sup>[1]</sup> Designated as Chairman w.e.f October 1, 2023

<sup>[2]</sup> Ceased w.e.f April 7, 2023 on account of completion of term

<sup>[3]</sup> Ceased w.e.f April 07, 2024 on account of completion of term

### (B) Non-executive/Independent Directors:

1 Mr. A. M. Naik <sup>[1]</sup>	2 Mr. M. M. Chitale <sup>[2]</sup>
3 Mr. M. Damodaran <sup>[2]</sup>	4 Mr. Vikram Singh Mehta <sup>[2]</sup>
5 Mr. Adil Zainulbhai <sup>[3]</sup>	6 Mr. Sanjeev Aga
7 Mr. Narayanan Kumar	8 Mr. Hemant Bhargava <sup>[6]</sup>
9 Ms. Preetha Reddy	10 Mr. Pramit Jhaveri
11 Mr. Rajnish Kumar <sup>[4]</sup>	12 Mr. Jyoti Sagar <sup>[4]</sup>
13 Mr. Ajay Tyagi <sup>[5]</sup>	14 Mr. P. R. Ramesh <sup>[5]</sup>
15 Mr. Siddhartha Mohanty <sup>[7]</sup>	

<sup>[1]</sup> Ceased to be Non-executive Chairman w.e.f September 30, 2023 <sup>[2]</sup> Ceased w.e.f March 31, 2024 on account of completion of term

<sup>[3]</sup> Ceased w.e.f. May 28, 2024

<sup>[4]</sup> Appointed w.e.f May 10, 2023

<sup>[5]</sup> Appointed w.e.f October 31, 2023

<sup>[6]</sup> Ceased w.e.f. May 27, 2024

<sup>[7]</sup> Appointed w.e.f. May 28, 2024

### (C) Company Secretary

1 Mr. Sivaram Nair A
----------------------

### (D) Close Member of Key Management Personnel's (KMP'S) family:

1 Ms.Meena Subrahmanyam	2 Ms.Vasanti Narayanan
3 Mr. S.N. Venkataramanan	4 Ms. Harsha
5 Mr.Ajinkya Anil Parab	6 Ms.Sulabha Anil Parab
7 Ms. Shital Ajinkya Parab	8 Ms.Bhagyasree Joshi
9 Ms. Tanya Mallavarapu	10 Ms.Kalavathi S Desai
11 Mr.Anand V Desai	12 Ms.Mukeeta Pramit Jhaveri
13 Mr.Raghavendra V Desai	14 Ms. Toral Sanjay Chinai
15 Mr.Harshad Reddy	16 Ms. Shashikala Narayan Sarang
17 Mr. Karthik Anand Reddy	18 Mr. Ashwin Shete

(v) Entity with common Key Managerial Personnel with whom transactions were carried out during the year:

1 LTIMindtree Foundation (Formerly known as Mindtree Foundation)
--

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [54] (contd.)**

(b) Disclosure of related party transactions:

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(i)	Purchase of goods & services (including commission paid)				
	Joint ventures, including:	666.26		870.37	
	L&T - MHI Power Boilers Private Limited		180.21		332.06
	L&T - MHI Power Turbine Generators Private Limited		9.43		32.48
	L&T Special Steels and Heavy Forgings Private Limited		447.67		457.43
	Associates, including:	34.16		28.30	
	Magtorq Private Limited		34.16		28.30
	Total	700.42		898.67	
(ii)	Sale of goods/contract revenue & services				
	Joint ventures, including:	17.88		40.10	
	L&T - MHI Power Boilers Private Limited		10.11		23.56
	L&T Special Steels and Heavy Forgings Private Limited		3.11		9.99
	L&T MBDA Missile Systems Limited		4.66		4.69
	Total	17.88		40.10	
(iii)	Purchase/lease of property, plant and equipment				
	Joint venture:	2.45		0.42	
	L&T - MHI Power Boilers Private Limited		2.45		–
	L&T - MHI Power Turbine Generators Private Limited		–		0.42
	Total	2.45		0.42	
(iv)	Investment as equity/Contribution towards equity				
	Joint ventures, including:	5.04		1.66	
	L&T - MHI Power Turbine Generators Private Limited		1.26		–
	GH4India Private Limited		–		1.00
	Hydrocarbon Arabia Limited Company		3.19		0.66
	LTIM Aramco Digital Solutions for Information Technology		0.59		
	Associates, including:	12.50		–	
	Indian Foundation For Quality Management		12.50		–
	Total	5.04		1.66	
(v)	Sale/Redemption of investments				
	Joint ventures, including:	–		129.26	
	EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects)		–		128.88
	Total	–		129.26	
(vi)	Inter-corporate deposits repaid by				
	Joint venture:	–		151.72	
	L&T Sapura Shipping Private Limited		–		151.72
	Total	–		151.72	
(vii)	Inter-corporate borrowing taken from				
	Joint ventures:	435.55		557.16	
	L&T-MHI Power Turbine Generators Private Limited		435.55		224.16
	L&T MBDA Missile Systems Limited		–		333.00
	Total	435.55		557.16	

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [54] (contd.)

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(viii)	Inter-corporate borrowing repaid to				
	Joint ventures:	641.87		551.56	
	L&T-MHI Power Turbine Generators Private Limited		477.87		220.56
	L&T MBDA Missile Systems Limited		164.00		331.00
	Total	641.87		551.56	
(ix)	Charges paid for miscellaneous services				
	Joint ventures, including:	3.72		9.04	
	L&T-Sargent & Lundy Limited		1.88		7.83
	L&T - MHI Power Boilers Private Limited		1.78		1.15
	Total	3.72		9.04	
(x)	Rent paid, including lease rentals under leasing arrangements				
	Joint ventures, including:	170.79		182.27	
	L&T Sapura Shipping Private Limited		145.15		164.58
	L&T - MHI Power Turbine Generators Private Limited		20.66		13.58
	Total	170.79		182.27	
(xi)	Rent received, overheads recovered and miscellaneous income				
	Joint ventures, including:	60.68		74.18	
	L&T - MHI Power Boilers Private Limited		23.23		28.83
	L&T-Sargent & Lundy Limited		14.20		12.61
	L&T - MHI Power Turbine Generators Private Limited		10.72		9.42
	L&T Special Steels and Heavy Forgings Private Limited		6.53		6.67
	EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects)		—		7.84
	Total	60.68		74.18	
(xii)	Charges recovered for deputation of employees to related parties				
	Joint ventures:	7.04		9.71	
	EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects)		—		0.92
	L&T Special Steels and Heavy Forgings Private Limited		1.23		1.03
	L&T Sapura Shipping Private Limited		5.81		7.76
	Total	7.04		9.71	
(xiii)	Dividend received from				
	Joint ventures, including:	27.27		132.57	
	EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects Limited)		—		112.24
	L&T Howden Private Limited		15.03		12.02
	L&T-Sargent & Lundy Limited		12.24		5.57
	Total	27.27		132.57	
(xiv)	Buyback of shares from				
	Key Management Personnel, including:	—		20.14	
	Mr. R. Shankar Raman		—		10.20
	Mr. Subramanian Sarma		—		5.47
	Mr. Anil Parab		—		3.20
	Close member of KMP's family, including:	—		2.62	
	Ms. Meena Subrahmanyam		—		2.61
	Total	—		22.76	



# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [54] (contd.)**

		₹ crore			
Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(xv)	Dividend Paid				
	Key Management Personnel, including:	5.52		4.93	
	Mr. A.M Naik		–		1.88
	Mr. R. Shankar Raman		1.42		0.99
	Mr. S. N. Subrahmanyam		3.01		0.80
	Mr. Subramanian Sarma		0.52		0.53
	Close member of KMP's family, including:	0.33		0.32	
	Ms. Meena Subrahmanyam		0.29		0.25
	Total	5.85		5.25	
(xvi)	Guarantee charges recovered from				
	Joint venture:	10.20		0.67	
	Hydrocarbon Arabia Limited Company		9.62		–
	L&T - MHI Power Turbine Generators Private Limited		0.58		0.67
	Total	10.20		0.67	
(xvii)	Guarantee given on behalf of				
	Joint ventures:	139.74		–	
	L&T MHI Power Turbine Generators Private Limited		139.74		–
	Total	139.74		–	
(xviii)	Interest paid to				
	Joint ventures:	4.95		12.82	
	L&T MBDA Missile Systems Limited		0.93		11.64
	L&T - MHI Power Turbine Generators Private Limited		4.02		1.18
	Total	4.95		12.82	
(xix)	Interest received from				
	Joint ventures:	9.84		81.22	
	L&T Special Steels and Heavy Forgings Private Limited		–		4.84
	Kudgi Transmission Limited		–		58.31
	L&T Sapura Shipping Private Limited		9.84		18.07
	Total	9.84		81.22	
(xx)	Amount written off as bad debts				
	Joint venture:	–		20.37	
	L&T - MHI Power Boilers Private Limited		–		20.37
	Total	–		20.37	
(xxi)	Allowance/(reversal) for expected credit loss				
	Joint ventures, including:	(0.22)		(27.32)	
	L&T - MHI Power Boilers Private Limited		0.03		(22.41)
	L&T-MHI Power Turbine Generators Private Limited		(0.35)		0.12
	Raykal Aluminium Company Private Limited		–		0.01
	L&T-Sargent & Lundy Limited		(0.05)		0.02
	GH4India Private Limited		0.18		–
	Total	(0.22)		(27.32)	
(xxii)	Amount recognised in Profit or Loss on account of impairment/(reversal of impairment) loss on investment and reversal of provision towards constructive obligation				
	Joint venture:	(474.78)		(33.05)	
	EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects)		–		(33.05)
	L&T Special Steels and Heavy Forgings Private Limited		(474.78)		–
	Associates, including:	12.50		–	
	Indian Foundation For Quality Management		12.50		–
	Total	(462.28)		(33.05)	

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [54] (contd.)

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2024-25		2023-24	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(xxiii)	Donation given				
	Entity with common Key Management Personnel:				
	LTIMindtree Foundation (Formerly known as Mindtree Foundation)	87.80	87.80	81.70	81.70
	Total	87.80		81.70	
(xxiv)	Contribution to post employment benefit plan				
(A)	Towards Employer's contribution to provident fund trusts, including:				
	Larsen & Toubro Officers & Supervisory Staff Provident Fund	600.11	585.46	533.53	516.34
	Total	600.11		533.53	
(B)	Towards Employer's contribution to gratuity fund trusts, including:				
	Larsen & Toubro Officers & Supervisors Gratuity Fund	183.91	43.38	261.98	123.95
	LTIMindtree Employees' Group Gratuity Assurance Scheme		94.37		94.57
	L&T Technology Services Limited Employee Group Gratuity Scheme		39.49		30.50
	Total	183.91		261.98	
(C)	Towards Employer's contribution to superannuation trust:				
	Larsen & Toubro Limited Senior Officers' Superannuation Scheme	20.61	20.61	16.09	16.09
	Total	20.61		16.09	

"Major parties" denote entities accounting for 10% or more of the aggregate for that category of transaction during respective year.

(xxiv) Compensation/benefits to Key Management Personnel (KMP):

₹ crore

Key Management Personnel	2024-25				2023-24				
	Short term employee benefits	Post employment benefits	Other Long term benefit	Total	Short term employee benefits	Post employment benefits	Other long term benefit	ESOP granted during the year <sup>[5]</sup>	Total
Executive Directors:									
(i) Remuneration excluding commission									
(a) Mr. S. N. Subrahmanyam	45.82	12.30	—	58.12	39.15	10.50	—	32.40	82.05
(b) Mr. R. Shankar Raman	28.31	7.60	—	35.91	24.26	6.50	—	—	30.76
(c) Mr. Subramanian Sarma	24.74	6.63	—	31.37	20.81	5.57	—	—	26.38
(d) Mr. D. K. Sen	—	—	—	—	0.21	15.31 <sup>[1]</sup>	6.94 <sup>[2]</sup>	—	22.46
(e) Mr. M. V. Satish	0.22	17.05 <sup>[1]</sup>	13.58 <sup>[2]</sup>	30.85	10.53	2.78	—	—	13.31
(g) Mr. S. V. Desai	15.82	4.22	—	20.04	14.82	3.95	—	9.26	28.03
(h) Mr. Anil Parab	11.87	3.16	—	15.03	9.85	2.61	—	—	12.46
(i) Mr. T. Madhava Das	18.98	5.08	—	24.06	14.47	3.86	—	—	18.33
Non-executive/Independent Directors:									
(j) Remuneration									
(a) Mr. A. M. Naik	—	—	—	—	4.14	1.5 <sup>[3]</sup>	—	—	5.64
(b) Other Non-executive/Independent Directors	6.33	—	—	6.33	5.76	—	—	—	5.76
Company Secretary									
(a) Mr. Sivaram Nair A	1.85	0.02	—	1.87	1.70	0.02	—	—	1.72
Total	153.94	56.06	13.58	223.58	145.70	52.60	6.94	41.66	246.90

<sup>[1]</sup> Post retirement benefits include gratuity ₹ 16.99 crore

<sup>[2]</sup> Represents encashment of past service accumulated leave

<sup>[3]</sup> Represents pension

<sup>[4]</sup> Post retirement benefits include gratuity ₹ 15.25 crore

<sup>[5]</sup> Represents fair value of ESOPs granted during the year which will be vested equally over a period of 4 years.

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [54] (contd.)**

(c) Amount due to/from related parties (including commitments):

		₹ crore			
Sr. No.	Category of balance/relationship/major parties	As at 31-3-2025		As at 31-3-2024	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(i)	Accounts receivable				
	Joint ventures, including:	25.72		29.37	
	L&T - MHI Power Boilers Private Limited		15.41		17.79
	L&T Special Steels and Heavy Forgings Private Limited		—		3.19
	GH4India Private Limited		3.56		—
	L&T-Sargent & Lundy Limited		2.77		2.66
	Associate:	0.23		0.23	
	Larsen & Toubro Qatar & HBK Contracting Co. WLL		0.23		0.23
	Total	25.95		29.60	
(ii)	Accounts payable including other payable				
	Joint ventures, including:	759.47		1288.16	
	L&T - MHI Power Boilers Private Limited		498.14		750.63
	L&T - MHI Power Turbine Generators Private Limited		195.38		268.01
	L&T Special Steels and Heavy Forgings Private Limited		—		210.84
	Associates, including:	14.14		5.89	
	Magtorq Private Limited		13.78		5.51
	Total	773.61		1294.05	
(iii)	Investment in debt securities [including preference shares (debt portion)]				
	Joint ventures:	—		949.43	
	L&T Special Steels and Heavy Forgings Private Limited*		—		213.17
	Kudgi Transmission Limited <sup>#</sup>		—		736.26
	Total	—		949.43	
	* Before set-off of losses under equity accounting				
	<sup>#</sup> Secured				
(iv)	Loans & advances recoverable				
	Joint ventures, including:	266.12		2036.29	
	L&T Special Steels and Heavy Forgings Private Limited*		—		1790.93
	L&T Sapura Shipping Private Limited		220.79		208.23
	Associates:	19.31		7.13	
	L&T Camp Facilities LLC		0.29		2.58
	Magtorq Private Limited		19.01		4.54
	Total	285.43		2043.42	
	* Before set-off of losses under equity accounting and impairment				
(v)	Impairment/provision of loans & advances recoverable				
	Joint ventures, including:	0.88		1139.90	
	Raykal Aluminium Company Private Limited		0.88		0.87
	L&T Special Steels and Heavy Forgings Private Limited		—		1139.03
	Total	0.88		1139.90	
(vi)	Provision towards constructive obligation				
	Joint venture:	—		14.84	
	L&T Special Steels and Heavy Forgings Private Limited		—		14.84
	Total	—		14.84	
(vii)	Unsecured loans taken				
	Joint ventures:	1.28		207.68	
	L&T MBDA Missile Systems Limited		—		164.06
	L&T - MHI Power Turbine Generators Private Limited		1.28		43.62
	Total	1.28		207.68	

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [54] (contd.)

		₹ crore			
Sr. No.	Category of balance/relationship/major parties	As at 31-3-2025		As at 31-3-2024	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(viii)	Advances from customers				
	Joint ventures, including:	0.46		2.39	
	L&T - MHI Power Boilers Private Limited		0.46		2.39
	Key Management Personnel, including:	1.31			
	Mr. Anil Parab		1.31		
	Close member of KMP's family:	–		0.11	
	Ms. Meena Subrahmanyam		–		0.11
	Total	1.77		2.50	
(ix)	Due to Key Management Personnel <sup>[a]</sup> :	137.43		125.36	
	Key Management Personnel, including:				
	Mr. A. M. Naik		–		1.22
	Mr. S. N. Subrahmanyam		41.58		35.28
	Mr. R. Shankar Raman		25.73		21.83
	Mr. D. K. Sen		–		0.18
	Mr. M. V. Satish		0.18		8.57
	Mr. Subramanian Sarma		22.37		18.56
	Mr. S. V. Desai		14.29		13.41
	Mr. T. Madhava Das		17.45		13.06
	Mr. Anil Parab		10.55		8.62
	Total	137.43		125.36	
(x)	Provision towards unspent CSR expenses				
	Entity with common Key Management Personnel:	4.40		0.90	
	LTIMindtree Foundation (Formerly known as Mindtree Foundation)		4.40		0.90
	Total	4.40		0.90	
(xi)	Post employment benefit plans				
(A)	Due to provident fund trusts, including:	142.22		138.71	
	Larsen & Toubro Officers & Supervisory Staff Provident Fund		138.03		134.57
	Total	142.22		138.71	
(B)	Due to gratuity trusts, including:	470.69		182.73	
	Larsen & Toubro Officers & Supervisors Gratuity Fund		258.18		44.12
	L&T Technology Services Limited Employee Group Gratuity Scheme		39.28		39.42
	LTIMindtree Employees' Group Gratuity Assurance Scheme		147.26		94.37
	Larsen & Toubro Gratuity Fund		24.91		3.45
	Total	470.69		182.73	
(C)	Due to superannuation fund:	19.82		17.93	
	Larsen & Toubro Limited Senior Officers' Superannuation Scheme		19.82		17.93
	Total	19.82		17.93	
(xii)	Revenue commitment given				
	Joint ventures, including:	300.40		1028.34	
	L&T - MHI Power Boilers Private Limited		227.76		570.11
	L&T Special Steels and Heavy Forgings Private Limited		–		370.22
	L&T Howden Private Limited		33.73		68.47
	Associates, including:	65.74		31.76	
	Magtorq Private Limited		65.74		31.76
	Total	366.14		1060.10	

<sup>[a]</sup> includes commission due to other Non-executive directors ₹ 5.17 crore (previous year: ₹ 4.63 crore)

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [54] (contd.)

		₹ crore			
Sr. No.	Category of balance/relationship/major parties	As at 31-3-2025		As at 31-3-2024	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(xiii)	Revenue commitment received				
	Joint ventures, including:	5.47		15.48	
	L&T - MHI Power Boilers Private Limited		5.47		10.68
	L&T MBDA Missile Systems Limited		–		4.80
	Key Management Personnel, including:	8.29		–	
	Mr. Anil Parab		8.29		–
	Close Member of KMP's family:	–		7.68	
	Ms. Meena Subrahmanyam		–		7.68
	<b>Total</b>	<b>13.76</b>		<b>23.16</b>	
(xiv)	Provision for expected credit loss				
	Joint ventures, including:	0.34		2.74	
	L&T - MHI Power Boilers Private Limited		0.15		0.12
	L&T - MHI Power Turbine Generators Private Limited		0.01		0.36
	EPIC Concesiones 3 Limited (formerly known as L&T Infrastructure Development Projects)		–		0.45
	<b>Total</b>	<b>0.34</b>		<b>2.74</b>	
(xv)	Guarantees given on behalf of				
	Joint ventures, including:	231.08		243.22	
	L&T - MHI Power Turbine Generators Private Limited		211.67		210.56
	<b>Total</b>	<b>231.08</b>		<b>243.22</b>	

"Major parties" denote entities accounting for 10% or more of the aggregate for that category of balance during respective year.

Note: 1. All the related party contracts/arrangements have been entered into on arm's length basis.

2. The amount of outstanding balances as shown above are unsecured and will be settled/recovered in cash.

3. The interest rate charged on loans given to related parties are as per market rates.

## NOTE [55]

Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":

Particulars		2024-25	2023-24
<b>Basic EPS</b>			
Profit after tax (₹ crore)	A	15037.11	13059.11
Weighted average number of equity shares outstanding	B	1,374,993,122	1,389,817,026
<b>Basic EPS (₹)</b>	A/B	109.36	93.96
<b>Diluted EPS</b>			
Profit after tax (₹ crore)	A	15037.11	13059.11
Weighted average number of equity shares outstanding	B	1,374,993,122	1,389,817,026
Add: Weighted average number of potential equity shares on account of employee stock options	C	1,046,884	1,233,876
Weighted average number of equity shares outstanding for diluted EPS	D=B+C	1,376,040,006	1,391,050,903
<b>Diluted EPS (₹)</b>	A/D	109.28	93.88
Face value per share (₹)		2.00	2.00

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [56]

Disclosure pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets":

(a) Movement in provisions:

₹ crore

Sr. No.	Particulars	Class of provisions					Total
		Product warranties	Expected tax liability in respect of indirect taxes	Litigation-related obligations	Contractual rectification cost-construction contracts	Onerous Contracts	
1	Balance as at 1-4-2024	20.87	333.51	528.35	777.53	750.46	2410.72
2	Additional provision during the year	4.64	53.92	36.12	385.13	297.02	776.83
3	Provision used during the year	(2.27)	(0.56)	–	(73.44)	(279.96)	(356.23)
4	Unused provision reversed during the year	(5.34)	(2.39)	(20.35)	(170.26)	(92.99)	(291.33)
5	Translation adjustments	–	–	–	0.65	1.39	2.04
6	Addition on account of business combination	–	–	–	–	2.07	2.07
7	Balance as at 31-3-2025 (1 to 6)	17.90	384.48	544.12	919.61	677.99	2544.10

Breakup of provisions:

₹ crore

Particulars	Note 24	Note 31	Total
Balance as at 1-4-2024	245.69	2165.03	2410.72
Balance as at 31-3-2025	310.56	2233.54	2544.10

(b) Nature of provisions:

- (i) Product warranties: The Group gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period.

Provision made as at March 31, 2025 represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of three years from the date of Balance Sheet.

- (ii) Expected tax liability in respect of indirect taxes represents mainly the differential sales tax liability on account of non-collection of declaration forms and liability for goods and services tax, customs duty and excise duty.
- (iii) Provision for litigation-related obligations represents liabilities that are expected to materialise in respect of matters in appeal.
- (iv) Contractual rectification cost represents the estimated cost the Group is likely to incur during defect liability period as per the contract obligations and in respect of completed construction contracts accounted under Ind AS 115 "Revenue from contracts with customers".
- (v) Onerous contracts provision includes provision for foreseeable losses on construction contracts wherever it was probable that total contract costs will exceed total contract price.
- (vi) It is not practicable to estimate the timings of cash outflows, if any, in respect of provisions (ii) to (v).

(c) Disclosure in respect of contingent liabilities is given in Note 32.

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [57]

### Research & Development

The expenditure on research and development activities is as follows:

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
(i)	Recognised as expense in the Statement of Profit and Loss	236.52	187.43
(ii)	Capital expenditure on:		
(a)	tangible assets	2.40	5.61
(b)	intangible assets being expenditure on new product development	–	58.79
(c)	other intangible assets	28.34	1.32
(iii)	Expenditure Customer Funded	1.89	–

## NOTE [58]

Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures”: Market risk management

### (a) Foreign exchange rate and interest rate risk:

The Group regularly reviews its foreign currency and interest rate related exposures - both hedged and open. The Group primarily follows cash flow hedge accounting for Highly Probable Forecasted Exposures (HPFE), hence, the movement in mark to market (MTM) of the hedge contracts undertaken for such exposures is likely to be offset by contra movements in the underlying exposures values. However, till the point of time that the HPFE becomes an on-balance sheet exposure, the changes in MTM of the hedge contracts will impact the Balance Sheet of the Group. Further, given the effective horizons of the Group’s risk management activities which coincide with the duration of the projects under execution, which could extend across 3-4 years and given the business uncertainties associated with the timing and estimation of the project exposures, the recognition of the gains and losses related to these instruments may not always coincide with the timing of gains and losses related to the underlying economic exposures and, therefore, may affect the Group’s financial condition and operating results. The Group monitors the potential risk arising out of the market factors like exchange rates, interest rates, price of traded investment products etc. on a regular basis. For on-balance sheet exposures, the Group monitors the risks on net unhedged exposures.

#### (i) Foreign exchange rate risk:

The Group has both receivable and payable exposure in foreign currency. Accordingly, changes in exchange rates, may adversely affect the Group’s revenue, cost and profitability. There is a risk that the Group may also have to adjust local currency product pricing due to competitive pressures when there has been significant volatility in foreign currency exchange rates.

The Group may enter foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with existing assets and liabilities, firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. In addition, the Group has entered, and may enter in the future, into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on its foreign-denominated debt issuances. The Group’s practice is to hedge a portion of its material net foreign exchange exposures with tenors in line with the project/business life cycle. The Group may also choose not to hedge certain foreign exchange exposures.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [58] (contd.)

The net exposure to foreign currency risk (based on notional amount) in respect of recognised financial assets, recognised financial liabilities and derivatives for major currencies is as follows:

Particulars	As at 31-3-2025					
	US Dollar including pegged currencies	EURO	British Pound	Canadian Dollar	Japanese Yen	Kuwaiti Dinar
Net exposure to foreign currency risk in respect of recognised financial assets/ (recognised financial liabilities)	6432.45	(940.79)	359.33	564.80	(87.53)	(86.14)
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to non-financial assets/(non-financial liabilities)	10.43	–	–	–	–	11.59
Derivatives including embedded derivatives for hedging receivable/(payable) exposures with respect to firm commitments and highly probable forecast transactions	28914.40	(11276.84)	114.59	(2.26)	1438.65	1069.94
Receivable/(payable) exposures with respect to forward contracts and embedded derivatives not designated as cash flow hedge	(1970.81)	(44.63)	(73.89)	–	7.17	–

₹ crore

Particulars	As at 31-3-2024					
	US Dollar including pegged currencies	EURO	British Pound	Canadian Dollar	Japanese Yen	Kuwaiti Dinar
Net exposure to foreign currency risk in respect of recognised financial assets/ (recognised financial liabilities)	982.08	627.16	88.55	(433.05)	(134.53)	137.81
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to non-financial assets/(non-financial liabilities)	208.69	(331.95)	–	–	(11.01)	–
Derivatives including embedded derivatives for hedging receivable/(payable) exposures with respect to firm commitments and highly probable forecast transactions	43047.38	(15828.85)	(55.54)	–	1442.30	490.23
Receivable/(payable) exposures with respect to forward contracts and embedded derivatives not designated as cash flow hedge	1221.52	(424.23)	2.36	–	10.27	–

₹ crore

To provide a meaningful assessment of the foreign currency risk associated with the Group's foreign currency derivative positions against off-balance sheet exposures and unhedged portion of on-balance sheet financial assets and liabilities, the Group uses a multi-currency correlated value-at-risk ("VAR") model. The VAR model uses a Monte Carlo simulation to generate thousands of random market price paths for foreign currencies against Indian Rupee taking into account the correlations between them. The VAR is the expected loss in value of the exposure due to overnight movement in spot exchange rates, at 95% confidence interval. The VAR model is not intended to represent actual losses but is used as a risk estimation tool. The model assumes normal market conditions and is a historical best fit model. Because the Group uses foreign currency instruments for hedging purposes, the loss in fair value incurred on those instruments is generally offset by increase in the fair value of the underlying exposures for on-balance sheet exposures. The overnight VAR for the Group at 95% confidence level is ₹ 102.14 crore as at March 31, 2025 and ₹ 140.87 crore as at March 31, 2024.

Actual future gains and losses associated with the Group's investment portfolio and derivative positions may differ materially from the sensitivity analysis performed as at March 31, 2025 due to the inherent limitations associated with predicting the timing and amount of changes in foreign currency exchange rates and the Group's actual exposures and position.

#### (ii) Interest rate risk:

The Group's exposure to changes in interest rates relates primarily to the Group's outstanding floating rate debt and lending. The Group's outstanding debt in local currency is a combination of fixed rate and floating rate. For the portion of local currency debt on fixed rate basis, there is no interest rate risk. For the portion of local currency debt on floating rate basis, there exists a natural hedge with receivables in respect of financial services business. There is a portion of debt that is linked to international interest rate benchmarks like SOFR. The Group also hedges a portion of these risks by way of derivative instruments.

The exposure of the Group's borrowing to interest rate changes is ₹ 24480.39 crore (as at March 31, 2024 ₹ 24652.62 crore).



# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [58] (contd.)

A hypothetical 50 basis point shift in respective currency SOFR and other benchmarks, holding all other variables constant, on the unhedged loans would result in a corresponding increase/decrease in interest cost for the Group on a yearly basis as follows:

Particulars	Increase/(decrease) in Profit after tax		Increase/(decrease) in Equity	
	2024-25	2023-24	As at 31-3-2025	As at 31-3-2024
<b>INR loans given (net of INR borrowings)</b>				
Interest rates - increase by 0.50% in INR interest rate	13.82	3.72	13.82	3.72
Interest rates - decrease by 0.50% in INR interest rate	(13.82)	(3.72)	(13.82)	(3.72)
<b>USD (including pegged currencies) borrowings</b>				
Interest rates - increase by 0.50% in USD interest rate	(1.85)	(10.20)	(1.85)	(10.20)
Interest rates - decrease by 0.50% in USD interest rate	1.85	10.20	1.85	10.20

### (b) Liquidity risk management:

The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate committed credit lines. Given the need to fund diverse businesses, the Group maintains flexibility by needbased drawing from committed credit lines. Management regularly monitors the position of cash and cash equivalents. The maturity profiles of financial assets/liabilities including debt financing plans and liquidity ratios are considered while reviewing the liquidity position.

The Group's investment policy and strategy are focused on preservation of capital and supporting the Group's liquidity requirements. The Group uses a combination of internal and external tools to execute its investment strategy and achieve its investment objectives. The Group typically invests in money market funds, large debt funds, Government of India securities, equity and equity marketable securities and other highly rated securities under an exposure limit framework. The investment policy focusses on minimising the potential risk of principal loss. To provide a meaningful assessment of the price risk associated with the Group's investment portfolio, the Group performed a sensitivity analysis to determine the impact of change in price of the securities on the value of the investment portfolio assuming a 0.50% movement in the fair market value of debt funds and debt securities and a 5% movement in the NAV of the equity and equity marketable securities as below:

Particulars	Increase/(decrease) in investment value	
	As at 31-3-2025	As at 31-3-2024
Debt funds and debt securities - increase by 0.50% in fair market value	142.63	101.58
Debt funds and debt securities - decrease by 0.50% in fair market value	(142.63)	(101.58)
Equity and equity marketable securities - increase by 5% in NAV	4.67	8.90
Equity and equity marketable securities - decrease by 5% in NAV	(4.67)	(8.90)

The investments in money market funds are for the purpose of liquidity management only and hence not subject to any material price risk.

### (c) Credit risk management:

#### (i) Financial services business:

Financial services business has a risk management framework that monitors and ensures that the business lines operate within the defined risk appetite and risk tolerance levels defined by the management. Risk management function is closely involved in management and control of credit risk, portfolio monitoring, market risks including liquidity risk and operational risks. The credit risk function independently evaluates proposals based on well-established sector specific internal frameworks, in order to identify, mitigate and allocate risks as well as to enable risk-based pricing of assets. Regulatory and process risks are identified, mitigated and managed by a separate group. Risk management policies are made under the guidance of Risk Management Committee and are approved by Board of Directors.

#### (ii) Other than financial services business:

The Group's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Group's customer credit risk is low. The Group's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases, retentions are substituted with bank/corporate guarantees. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [58] (contd.)

(iii) Reconciliation of loss allowance provision for financial services business - Loans:

₹ crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Loss allowance as at 1-4-2023	1176.65	366.04	1743.32	3286.01
New assets originated or purchased	993.25	68.54	177.98	1239.77
Amount written off	–	(13.37)	(947.49)	(960.86)
Transfers to Stage 1	25.53	(13.13)	(12.40)	–
Transfers to Stage 2	(6.24)	13.30	(7.06)	–
Transfers to Stage 3	(15.28)	(72.22)	87.50	–
Impact on year end ECL of exposure transferred between stages during the year	(25.17)	103.60	1008.72	1087.15
Increase/ (Decrease) in provision on existing financial assets (Net of recovery)	(824.44)	(30.73)	(258.71)	(1113.88)
Loss allowance as at 31-3-2024	1324.30	422.03	1791.86	3538.19
New assets originated or purchased	712.20	89.11	289.44	1090.75
Amount written off	–	–	(2382.15)	(2382.15)
Transfers to Stage 1	21.29	(9.84)	(11.45)	–
Transfers to Stage 2	(17.48)	23.83	(6.35)	–
Transfers to Stage 3	(50.06)	(113.44)	163.50	–
Impact on year end ECL of exposure transferred between stages during the year	(21.01)	246.27	2142.86	2368.12
Increase/ (Decrease) in provision on existing financial assets (Net of recovery)	(917.38)	(189.12)	28.79	(1077.71)
Loss allowance as at 31-3-2025	1051.86	468.84	2016.50	3537.20

(iv) Reconciliation of allowance for expected credit loss ("ECL") on trade receivables (other than financial services business):

₹ crore

Particulars	2024-25	2023-24
Provision as at April 1	4593.65	4414.84
Changes in allowance for ECL:		
Provision/(reversal) of allowance for ECL	595.70	332.45
Additional provision (net)	302.39	402.46
Write off as bad debts	(524.71)	(561.45)
Translation adjustment	(0.28)	5.35
Provision as at March 31 (Note 13)	4966.75	4593.65

(v) Amounts written off:

₹ crore

Particulars	2024-25	2023-24
Amount of financial assets written off during the year but still enforceable	2512.13	947.78

(d) Commodity price risk management:

The Group bids for and executes EPC projects. These projects entail procurement of various equipment and materials which may have direct or indirect linkages to commodity prices like steel (both long and flat steel), copper, aluminium, zinc, lead, nickel, cement etc. Accordingly, the Group is exposed to the price risk on these commodities. To mitigate the risk of commodity prices, the Group relies on contractual provisions like pass through of prices, price variation provisions and further uses hedging instruments where available [Note 59 (k)(iii)]. There is a certain residual risk carried by the Group that cannot be hedged.

The Group is also exposed to contingent risk on account of commodity price movements that may not be fully offset by contractual provisions in the projects that it has bid for but which are not awarded yet. Commodity prices have been volatile and have witnessed substantial two-way movements during the financial year. This may impact the margin on projects where the Group has submitted bids on a firm price basis. However, for projects where the Group is eligible for an adjustment, based on price variation clause, the actual impact will depend on the exact project wins and the relative contractual provisions therein.

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [59]**

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

			₹ crore	
Sr. No.	Particulars	Note	As at 31-3-2025	As at 31-3-2024
I.	Measured at Fair Value through Profit or Loss (FVTPL):			
(a)	Mandatorily measured:			
(i)	Investment in equity shares	6,12	170.46	140.35
(ii)	Investment in preference shares	6,12	168.78	130.25
(iii)	Investment in mutual funds and units of fund	6,12	14538.94	11414.96
(iv)	Investment in government securities, debentures and bonds	6,12	383.55	553.03
(v)	Derivative instruments not designated as cash flow hedges	9,18	56.19	20.66
(vi)	Embedded derivatives not designated as cash flow hedges	9,18	229.14	113.47
(vii)	Investment in security receipts	6	5862.44	6769.51
(viii)	Investment in Invit	6,12	4328.97	2694.57
	Sub-total (a)		25738.47	21836.80
(b)	Designated:			
(i)	Loans	16	2130.59	4861.56
	Sub-total (b)		2130.59	4861.56
	Sub-total (I = a+b)		27869.06	26698.36
II.	Measured at amortised cost:			
(i)	Loans	7,8,16,17	97560.08	82689.79
(ii)	Investment in government securities, debentures, bonds and CBLO	6,12	3632.05	2922.22
(iii)	Investment in commercial paper	12	589.82	937.25
(iv)	Treasury Bills and other Investments	6,12	3834.18	5860.95
(v)	Trade receivables	13	53713.68	48770.95
(vi)	Other recoverable	18	1576.93	2790.22
(vii)	Unbilled revenue	18	1898.23	1416.41
(viii)	Cash and cash equivalents and bank balances	9,14,15,18	23461.91	16031.82
(ix)	Other receivables		1844.57	1300.64
	Sub-total (II)		188111.45	162720.25
III.	Measured at Fair Value through Other comprehensive income (FVTOCI):			
(c)	Mandatorily measured:			
(i)	Investment in government securities, debentures and bonds	6,12	18891.67	12925.39
(ii)	Investment in preference shares	6	34.99	34.99
(iv)	Derivative instruments designated as cash flow hedges	9,18	1104.08	1144.31
(v)	Embedded derivative designated as cash flow hedges	9,18	77.22	56.86
	Sub-total (c)		20107.96	14161.55
(d)	Designated:			
(i)	Investment in equity shares	6	51.00	0.10
	Sub-total (d)		51.00	0.10
	Sub-total (III = c+d)		20158.96	14161.65
	Total (I+II+III)		236139.47	203580.26

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [59] (contd.)

(b) Category-wise classification for applicable financial liabilities:

			₹ crore	
Sr. No.	Particulars	Note	As at 31-3-2025	As at 31-3-2024
I.	Measured at Fair Value through Profit or Loss (FVTPL):			
(i)	Derivative instruments not designated as cash flow hedges	23,29	20.05	32.86
(ii)	Embedded derivatives not designated as cash flow hedges	23,29	22.02	20.55
(iii)	Contingent consideration		183.19	10.22
	Sub-total (I)		225.26	63.63
II.	Measured at amortised cost:			
(i)	Borrowings	22,26,27	129559.34	114039.77
(ii)	Trade payables:			
	Due to micro enterprises and small enterprises		1417.65	1018.71
	Due to others	28	51041.69	52274.17
(iii)	Lease liability		2849.58	2282.45
(iv)	Others		5766.76	7275.89
	Sub-total (II)		190635.02	176890.99
III.	Measured at Fair Value through Other comprehensive income (FVTOCI):			
(i)	Derivative instruments designated as cash flow hedges	23,29	476.19	310.93
(ii)	Embedded derivatives designated as cash flow hedges	23,29	56.31	21.09
	Sub-total (III)		532.50	332.02
IV.	Financial guarantee contracts	23,29	1.03	0.20
	Total (I+II+III+IV)		191393.81	177286.84

(c) Items of income, expenses, gains or losses related to financial instruments:

			₹ crore	
Sr. No.	Particulars		2024-25	2023-24
I.	Net gains/(losses) on financial assets and financial liabilities measured at Fair Value through Profit or Loss (FVTPL) and amortised cost:			
A.	Financial asset or financial liabilities measured at FVTPL:			
1.	Gains/(losses) on fair valuation or sale of investments		1116.04	698.90
2.	Gains/(losses) on fair valuation or sale of investments and loans (Financial Services)		164.18	(431.46)
3.	Gains/(losses) on fair valuation/settlement of derivative:			
(a)	Gains/(losses) on fair valuation or settlement of forward contracts not designated as cash flow hedges		(56.55)	97.76
(b)	Gains/(losses) on fair valuation or settlement of embedded derivative contracts not designated as cash flow hedges		191.33	18.72
(c)	Gains/(losses) on fair valuation or settlement of futures not designated as cash flow hedges		36.65	(6.18)
	Sub-total (A)		1451.65	377.74
B.	Financial assets measured at amortised cost:			
(i)	Exchange difference gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade receivables, loans given etc.)		362.50	(8.09)
(ii)	(Allowance)/reversal for expected credit loss (ECL) during the year		(2789.06)	(1650.85)
(iii)	(Provision)/reversal for impairment loss (other than ECL) [net]		96.99	(306.42)
(iv)	Gains/(losses) on derecognition:			
(a)	Bad debts written off (net)		(46.11)	(104.09)
(b)	Gains/(losses) on transfer of financial assets (including non-recourse basis)		(292.93)	(473.42)
	Sub-total (B)		(2668.61)	(2542.87)

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [59] (contd.)

		₹ crore	
Sr. No.	Particulars	2024-25	2023-24
C.	Financial liabilities measured at amortised cost:		
(i)	Exchange difference gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade payables, borrowing availed etc.)	(327.41)	(80.04)
(ii)	Unclaimed credit balances written back	267.42	575.54
	Sub-total (C)	(59.99)	495.50
	Total (I = A+B+C)	(1276.95)	(1669.63)
II.	Net gains/(losses) on financial assets and financial liabilities measured at fair value through Other comprehensive income (FVTOCI):		
A.	Gains recognised in Other comprehensive income:		
(i)	Financial assets measured at FVTOCI:		
(a)	Gains/(losses) on fair valuation or sale of government securities, bonds, debentures etc.	328.49	159.44
(ii)	Derivative measured at FVTOCI:		
(b)	Gains/(losses) on fair valuation or settlement of forward contracts designated as cash flow hedges	(82.07)	383.83
(c)	Gains/(losses) on fair valuation or settlement of embedded derivative contracts designated as cash flow hedges	(20.55)	(13.72)
	Sub-total (A)	225.87	529.55
	Less:		
B.	Gains reclassified to Profit and Loss from Other comprehensive income		
(i)	Financial assets measured at FVTOCI:		
(a)	On government securities, bonds, debentures etc. upon sale	17.07	32.63
(ii)	Derivative measured at FVTOCI:		
(b)	On forward contracts upon hedged future cash flows affecting the Profit and Loss or related assets or liabilities	(102.72)	91.94
(c)	On embedded derivative contracts upon hedged future cash flows affecting the Profit and Loss or related assets or liabilities	15.80	16.89
	Sub-total (B)	(69.85)	141.46
	Net gains recognised in Other comprehensive income (A-B)	295.72	388.09
III.	Interest and other income/expense:		
A.	Dividend income:		
(i)	Dividend income from investments measured at FVTPL	117.05	96.25
(ii)	Dividend income from Joint Venture (classified as held for sale)	–	112.24
	Sub-total (A)	117.05	208.49
B.	Interest income:		
(i)	Financial assets measured at amortised cost	17089.86	13746.37
(ii)	Financial assets measured at fair value through Other comprehensive income	1405.91	1192.11
(iii)	Financial assets measured at fair value through Profit or Loss	88.40	1581.12
	Sub-total (B)	18584.17	16519.60
C.	Interest expense:		
(i)	Financial liabilities measured at amortised cost	(9300.82)	(8841.65)
(ii)	Financial liabilities measured at FVTPL	(21.23)	(23.80)
	Sub-total (C)	(9322.05)	(8865.45)
	Total (III = A+B+C)	9379.17	7862.64

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [59] (contd.)

(d) Fair value of financial assets and financial liabilities measured at amortised cost:

₹ crore

Particulars	As at 31-3-2025		As at 31-3-2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans	62847.34	62847.34	52155.25	52155.25
Government securities, debentures and bonds	2374.03	2374.03	1957.57	1957.57
Total	65221.37	65221.37	54112.82	54112.82
Financial liabilities:				
Borrowings	48599.10	48683.21	52214.07	52061.62
Total	48599.10	48683.21	52214.07	52061.62

Notes:

1. Carrying amount of loans are net of provision for expected credit losses.
  2. The carrying amounts of current investments, trade and other receivables, cash and cash equivalents, trade and other payables are considered to be the same as their fair values due to their short term nature. The carrying amounts of loans given, borrowings taken for short term or borrowings taken on floating rate of interest are considered to be close to the fair value. Accordingly, these items have not been included in the above table.
- (e) Disclosure pursuant to Ind AS 113 "Fair Value Measurement" - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

₹ crore

As at 31-3-2025	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	–	4934.91	57912.43	62847.34	Discounted cash flow
Government securities, debentures and bonds	2374.03	–	–	2374.03	
Total	2374.03	4934.91	57912.43	65221.37	
Financial liabilities:					
Borrowings	–	24321.10	24362.11	48683.21	Discounted cash flow
Total	–	24321.10	24362.11	48683.21	

₹ crore

As at 31-3-2024	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	–	5142.68	47012.57	52155.25	Discounted cash flow
Government securities, debentures and bonds	1957.57	–	–	1957.57	
Total	1957.57	5142.68	47012.57	54112.82	
Financial liabilities:					
Borrowings	–	24290.93	27770.69	52061.62	Discounted cash flow
Total	–	24290.93	27770.69	52061.62	

Valuation technique Level 2: Future cash flows discounted using market rates.

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [59] (contd.)**

(f) Fair value hierarchy of financial assets and financial liabilities at fair value:

₹ crore

Particulars	Note	As at 31-3-2025				As at 31-3-2024			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:									
Financial assets at FVTPL:									
(i) Equity shares	6,12	17.13	—	153.33	170.46	26.29	—	114.06	140.35
(ii) Preference shares	6,12	—	—	168.78	168.78	—	—	130.25	130.25
(iii) Mutual funds and units of fund	6,12	14516.71	—	22.23	14538.94	11387.59	—	27.37	11414.96
(iv) Debt instruments viz. government securities, bonds and debentures	6,12	237.82	—	145.73	383.55	347.73	—	205.30	553.03
(v) Derivative instruments not designated as cash flow hedges	9,18	—	56.19	—	56.19	—	20.66	—	20.66
(vi) Embedded derivative instruments not designated as cash flow hedges	9,18	—	229.14	—	229.14	—	113.47	—	113.47
(vii) Security receipts	6	—	—	5862.44	5862.44	—	—	6769.51	6769.51
(viii) InvITs	6,12	4328.97	—	—	4328.97	2694.57	—	—	2694.57
(ix) Loans (Financial Services)	16	—	—	2130.59	2130.59	—	—	4861.56	4861.56
Financial assets at FVTOCI:									
(i) Debt instruments viz. government securities, bonds and debentures	6,12	13294.52	5596.86	0.29	18891.67	10072.95	2852.15	0.29	12925.39
(ii) Preference shares	6	—	—	34.99	34.99	—	—	34.99	34.99
(iii) Equity shares	6	—	—	51.00	51.00	—	—	0.10	0.10
(iv) Derivative instruments designated as cash flow hedges	9,18	—	1104.08	—	1104.08	—	1144.31	—	1144.31
(v) Embedded derivative instruments designated as cash flow hedges	9,18	—	77.22	—	77.22	—	56.86	—	56.86
Total		32395.15	7063.49	8569.38	48028.02	24529.13	4187.45	12143.43	40860.01
Financial liabilities:									
(a) Designated at FVTPL:									
(i) Derivative instruments not designated as cash flow hedges	23,29	—	20.05	—	20.05	—	32.86	—	32.86
(ii) Embedded derivative instruments not designated as cash flow hedges	23,29	—	22.02	—	22.02	—	20.55	—	20.55
(iii) Contingent Consideration		—	—	183.19	183.19	—	—	10.22	10.22
(b) Designated at FVTOCI:									
(i) Derivative instruments designated as cash flow hedges	23,29	—	476.19	—	476.19	—	310.93	—	310.93
(ii) Embedded derivative instruments designated as cash flow hedges	23,29	—	56.31	—	56.31	—	21.09	—	21.09
Total		—	574.57	183.19	757.76	—	385.43	10.22	395.65

Valuation technique and key inputs used to determine fair value:

A. Level 1: Mutual funds, bonds, debentures and government securities - Quoted price in the active market.

B. Level 2: (a) Derivative Instruments – Present value technique using forward exchange rates as at balance sheet date.

(b) Preference share and government securities, bonds and debentures – Future cash flows are discounted using G-sec rates as at balance sheet date.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [59] (contd.)

(g) Movement of items measured using unobservable inputs (Level 3):

₹ crore

Particulars	Equity shares	Preference shares	Debt instruments	Loans	Other Investments	Total
Balance as at 1-4-2023	292.48	180.69	197.57	17056.78	6349.66	24077.18
Addition during the year	–	–	113.84	2025.85	2504.10	4643.79
Disposal during the year	(224.00)	–	(249.88)	(16005.39)	(725.39)	(17204.66)
Exchange Differences	–	0.98	–	–	–	0.98
Gains/(losses) recognised in Statement of Profit and Loss	45.68	(16.43)	144.06	1784.32	(1331.49)	626.14
Balance as at 31-3-2024	114.16	165.24	205.59	4861.56	6796.88	12143.43
Addition during the year	–	53.02	11.22	265.20	709.19	1038.63
Disposal during the year	–	–	(70.14)	(3211.91)	(1469.53)	(4751.58)
Exchange Differences	–	1.66	–	–	–	1.66
Gains/(losses) recognised in Statement of Profit and Loss	90.17	(16.15)	(0.65)	215.74	(151.87)	137.24
Balance as at 31-3-2025	204.33	203.77	146.02	2130.59	5884.67	8569.38

(h) Sensitivity disclosure for level 3 fair value measurements:

Particulars	Fair value as at		Significant unobservable inputs	Sensitivity
	31-3-2025	31-3-2024		
	₹ crore			
Equity shares	113.90	27.57	Book value	Increase/(decrease) of 5% in the book value would result in impact on profit or loss by ₹ 4.25 crore (previous year: ₹ 0.89 crore)
	90.43	86.59	31-3-2025 and 31-3-2024: 1. Net realization per month ₹ 38 and ₹ 35 per sqft respectively. 2. Capitalisation rate 12% and 11.50% respectively	Increase/(decrease) of 1% in net realisation would result in impact on profit or loss by ₹ 1.31 crore (previous year: ₹ 0.31 crore) Increase/(decrease) of 0.25% in capitalisation rate would result in impact on profit or loss by ₹ 0.50 crore (previous year: ₹ 0.66 crore)
Preference shares	66.77	66.77	Book value	Increase/(decrease) of 5% in the book value would result in impact on profit or loss by ₹ 3.11 crore (previous year: ₹ 3.34 crore)
	53.02	–	Not applicable	The valuation is based on expected settlement
	83.98	98.47	Expected yield	Increase/(decrease) in the fair value by 5% would result in impact on profit or loss by ₹ 3.08 crore (previous year: ₹ 3.20 crore)
Debt instruments	146.02	205.59	Expected yield	Increase/(decrease) in fair value by 0.25% would result in impact on profit or loss by ₹ 0.24 crore (previous year: ₹ 0.31 crore)
Loans	2130.59	4861.56	Expected yield	Increase/(decrease) in fair value by 0.25% would result in impact on profit or loss by ₹ 3.99 crore (previous year: ₹ 7.91 crore)
Other Investments	5884.67	6796.88	Net Assets Value (NAV)	Increase/(decrease) in the NAV by 5% would result in impact on profit or loss by ₹ 220.18 crore (previous year: ₹ 221.09 crore)



## Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [59] (contd.)**

(i) Movement of financial liabilities measured using unobservable inputs (Level 3):

₹ crore

Particulars	Contingent consideration
Balance as at 1-4-2023	35.12
Charge recognised in Statement of Profit and Loss	(12.05)
Settled during the year	(13.09)
Foreign exchange difference	0.24
Balance as at 31-3-2024	10.22
Addition during the year	181.70
Charge recognised in Statement of Profit and Loss	2.62
Settled during the year	(10.84)
Foreign exchange difference	(0.51)
Balance as at 31-3-2025	183.19

Note:

A 1% point change in the unobservable inputs used in fair valuation of Level 3 liabilities does not have a significant impact on the value.

(j) Maturity profile of financial liabilities based on undiscounted cash flows:

₹ crore

Particulars	Note	As at 31-3-2025			As at 31-3-2024		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
A. Non-derivative liabilities:							
Borrowings	22, 26, 27	76661.17	69003.50	145664.67	60775.18	66408.51	127183.69
Trade payables:							
Due to micro enterprises and small enterprises		1399.71	17.94	1417.65	995.75	22.96	1018.71
Due to others	28	50276.29	765.40	51041.69	51532.67	741.50	52274.17
Other financial liabilities	23, 29	5788.84	161.12	5949.96	7151.78	134.67	7286.45
Lease Liability		690.22	2707.05	3397.27	566.24	1839.90	2406.14
Total		134816.23	72655.01	207471.24	121021.62	69147.54	190169.16
B. Derivative liabilities:							
Forward contracts	23, 29	415.64	88.82	504.46	327.69	19.35	347.04
Embedded derivatives	23, 29	27.50	50.83	78.33	41.64	—	41.64
Total		443.14	139.65	582.79	369.33	19.35	388.68

# Notes forming part of the Consolidated Financial Statements (contd.)

## NOTE [59] (contd.)

(k) Details of outstanding hedge instruments for which hedge accounting is followed:

(i) Outstanding currency exchange rate hedge instruments:

(A) Forward covers taken to hedge exchange rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(a) Receivable hedges:								
US Dollar	51036.06	88.93	27240.53	23795.53	56596.51	86.59	29715.54	26880.97
EURO	2491.11	95.38	2033.82	457.29	1554.78	93.16	1090.98	463.80
Malaysian Ringgit	389.74	19.48	227.87	161.87	190.06	18.03	190.06	—
Omani Riyal	38.88	223.39	38.88	—	10.91	219.16	10.91	—
Arab Emirates Dirham	734.74	23.46	723.77	10.97	705.19	22.68	605.11	100.08
British Pound	208.96	109.98	147.06	61.90	—	—	—	—
Japanese Yen	3203.80	0.62	1407.35	1796.45	2674.33	0.56	1411.98	1262.35
Kuwaiti Dinar	1549.55	279.66	1367.67	181.88	795.30	275.25	790.64	4.66
Qatari Riyal	1349.16	23.57	1341.84	7.32	1816.12	22.89	1777.62	38.50
Saudi Riyal	167.47	23.14	167.47	—	—	—	—	—
Chinese Yuan	7.39	12.00	7.39	—	—	—	—	—
Indonesian Rupiah	52.92	0.01	52.92	—	—	—	—	—
Thai Baht	—	—	—	—	22.93	2.43	22.93	—
(b) Payable hedges:								
US Dollar	29806.87	87.17	21994.65	7812.22	16054.45	84.48	9582.47	6471.98
EURO	16561.34	93.73	12829.06	3732.28	19973.80	91.86	18515.09	1458.71
Qatari Riyal	493.38	23.79	493.38	—	120.39	22.87	120.39	—
Arab Emirates Dirham	918.71	23.60	918.71	—	562.70	22.85	562.70	—
British Pound	82.10	111.43	73.05	9.05	158.29	104.59	146.59	11.70
Japanese Yen	1671.83	0.59	1326.49	345.34	1152.07	0.56	1130.91	21.16
Kuwaiti Dinar	218.07	281.22	218.07	—	171.79	273.47	171.79	—
Swiss Franc	304.25	100.10	297.55	6.70	459.01	92.41	457.81	1.20
Chinese Yuan	15.57	12.00	15.57	—	17.86	11.75	17.86	—
Saudi Riyal	702.32	22.80	702.32	—	—	—	—	—
Swedish Krona	0.53	8.59	0.53	—	—	—	—	—
Canadian Dollar	—	—	—	—	1.80	61.55	1.80	—

(B) Options taken to hedge exchange rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(a) Receivable hedges:								
US Dollar/Indian Rupees	115.02	<sup>[1]</sup>	—	115.02	402.56	<sup>[1]</sup>	402.56	—
EURO/US Dollar	922.77	<sup>[1]</sup>	379.28	543.49	795.62	<sup>[1]</sup>	605.13	190.48
US Dollar/EURO	—	—	—	—	169.08	<sup>[1]</sup>	169.08	—
US Dollar/British Pound	—	—	—	—	92.93	<sup>[1]</sup>	92.93	—
US Dollars/Japanese Yen	508.95	<sup>[1]</sup>	—	508.95	446.07	<sup>[1]</sup>	—	446.07
(b) Payable hedges:								
US Dollar/EURO	—	—	—	—	169.08	<sup>[1]</sup>	169.08	—
EURO/US Dollar	—	—	—	—	73.29	<sup>[1]</sup>	73.29	—
British Pound/US Dollar	—	—	—	—	39.91	<sup>[1]</sup>	39.91	—
US Dollar/British Pound	—	—	—	—	92.93	<sup>[1]</sup>	92.93	—

<sup>[1]</sup> The options contracts include a combination of calls and puts (including cross currency) with different maturities and strike prices.

# Notes forming part of the Consolidated Financial Statements (contd.)

**NOTE [59] (contd.)**

(C) Forward covers taken to hedge exchange rate risk and accounted as fair value hedge:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(a) Receivable hedges:								
US Dollar	2234.22	86.43	2234.22	—	2347.53	83.39	2347.53	—
British Pound	—	—	—	—	21.09	105.46	21.09	—
EURO	252.88	91.96	252.88	—	285.74	90.71	285.74	—

(D) Forward covers taken to hedge exchange rate risk and accounted as net investment hedge:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(a) Receivable hedges:								
US Dollar	318.13	86.92	318.13	—	—	—	—	—
Arab Emirates Dirham	15.92	23.49	15.92	—	32.57	22.82	32.57	—
Saudi Riyal	—	—	—	—	194.58	22.28	194.58	—

(ii) Outstanding interest rate hedge instruments:

(A) Interest rate swaps taken to hedge interest rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (%)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (%)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Floating interest rate borrowings - INR	—	—	—	—	400.00	6.23	—	400.00

(iii) Outstanding commodity price hedge instruments:

(A) Commodity forward contract:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Copper (Tn)	1569.90	800523.94	1561.75	8.15	919.23	711972.13	919.23	—
Aluminium (Tn)	1644.14	220652.26	1558.84	85.30	939.98	191859.90	930.05	9.93
Iron Ore (Tn)	7.40	7252.07	7.40	—	14.29	7309.80	6.95	7.34
Lead (Tn)	36.55	177848.50	36.55	—	63.70	174699.52	63.70	—
Nickel (Tn)	89.58	1468458.31	89.58	—	130.21	1778778.54	130.21	—

(B) Commodity option contract:

Particulars	As at 31-3-2025				As at 31-3-2024			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Aluminium (Tn)	183.97	<sup>[1]</sup>	183.97	—	112.48	<sup>[1]</sup>	112.48	—
Copper (Tn)	173.52	<sup>[1]</sup>	173.52	—	301.25	<sup>[1]</sup>	301.25	—

<sup>[1]</sup> The options contracts include a combination of calls and puts with different maturities and strike prices.

## Notes forming part of the Consolidated Financial Statements (contd.)

### NOTE [59] (contd.)

(l) Carrying amounts of hedge instruments for which hedge accounting is followed:

(A) Cash flow hedge:

Particulars	As at 31-3-2025			As at 31-3-2024		
	Currency exposure	Interest rate exposure	Commodity price exposure	Currency exposure	Interest rate exposure	Commodity price exposure
(i) Forward contracts						
(a) Current:						
Asset - Other financial assets	542.37	—	56.84	323.57	—	64.14
Liability - Other financial liabilities	349.67	—	54.04	278.93	—	36.86
(b) Non-current:						
Asset - Other financial assets	417.62	—	0.34	750.61	6.47	—
Liability - Other financial liabilities	85.94	—	0.27	13.90	—	—
(ii) Option contracts						
(a) Current:						
Asset - Other financial assets	80.39	—	16.97	40.10	—	13.60
Liability - Other financial liabilities	4.94	—	9.34	1.95	—	—
(b) Non-current:						
Asset - Other financial assets	43.80	—	20.78	2.67	—	—
Liability - Other financial liabilities	8.19	—	20.11	—	—	—

(B) Fair value hedge:

Particulars	As at 31-3-2025	As at 31-3-2024
	Currency exposure	Currency exposure
Forward contracts		
(a) Current:		
Asset - Other financial assets	17.99	1.90
Liability - Other financial liabilities	1.93	4.28

(C) Net investment hedge:

Particulars	As at 31-3-2025	As at 31-3-2024
	Currency exposure	Currency exposure
(i) Forward contracts		
(a) Current:		
Asset - Other financial assets	2.23	0.01
Liability - Other financial liabilities	—	0.38

(m) Breakup of cash flow hedging reserve and cost of hedging reserve:

Particulars	As at 31-3-2025		As at 31-3-2024	
	Cash flow hedging reserve	Cost of hedging reserve	Cash flow hedging reserve	Cost of hedging reserve
Balance towards continuing hedges	(45.84)	138.35	197.17	(4.67)
Balance for which hedge accounting discontinued	158.82	—	81.84	—
Total	112.98	138.35	279.01	(4.67)