



Larsen & Toubro Limited
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SEC/AR/2025

May 26, 2025

BSE Limited
Phiroze Jejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
STOCK CODE: 500510

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051
STOCK CODE: LT

Dear Sir/Madam,

Sub: Integrated Annual Report for the Financial Year 2024-25 and Notice of 80th Annual General Meeting (AGM)

This is further to our letter ref. No. SEC/March-25/2025 dated May 8, 2025 wherein we have informed that our AGM will be held on Tuesday, June 17, 2025 at 3.00 p.m. (IST) through Video Conferencing/Other Audio-Visual Means, in accordance with the circulars issued by the Ministry of Corporate Affairs ("MCA circulars").

In accordance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Integrated Annual Report for the Financial Year 2024-25 including Business Responsibility and Sustainability Report and the Notice convening the 80th AGM, being sent to the members electronically today. The Integrated Annual Report including Notice along with other documents are also uploaded on the Company's Website [L&T India-Investor Home](#).

Further, please find enclosed a copy of the letter providing weblink containing complete details of the Integrated Annual Report which is being sent to all the members who have not registered their email address.

This is for your information and records.

For Larsen & Toubro Limited

Subramanian Narayan
Company Secretary & Compliance Officer
(M.No. – A16354)

Encl: as above

TECH-CELERATING SUSTAINABLE PROGRESS

Integrated Annual Report 2024-25





VISION

L&T shall be a professionally-managed Indian multinational, committed to total customer satisfaction and enhancing shareholder value.

L&T-ites shall be an innovative, entrepreneurial and empowered team constantly creating value and attaining global benchmarks.

L&T shall foster a culture of caring, trust and continuous learning while meeting expectations of employees, stakeholders and society.

Dear Shareholders,

The year under review, 2024–25, has been transformative — not just for your Company, but for the global landscape. Geopolitical realignments, rapid strides in emerging technologies, climate challenges and disruptions in global supply chains have all reshaped the way businesses operate. These evolving dynamics have created both challenges and opportunities, demanding agility, foresight and resilience.

Amidst this macroeconomic environment, I am pleased to report that your Company has delivered a standout performance. Our ability to recalibrate and respond to external shifts has been central to our continued growth. We have accelerated digital adoption across business verticals, strengthened project execution capabilities, and enhanced customer value through smarter, more sustainable solutions. With a robust order book, an evolving pipeline of opportunities, and a purpose-led approach to sustainable infrastructure and development, L&T is well-positioned to lead in a fast-changing world.



Message from the
**CHAIRMAN AND
MANAGING DIRECTOR**

S. N. Subrahmanyam

Artist's Impression

Navi Mumbai International Airport, Maharashtra

Growth with a difference

The global economic landscape remains unpredictable, shaped by rising policy uncertainties. These are dynamic times. Our Company is closely monitoring these developments, especially given that substantial part of our Group's business originates outside India. We remain optimistic about the Middle East, which continues to invest significantly in both physical and digital infrastructure while monetising its oil and gas assets. This confidence is reinforced by the consistent inflow of orders from the region.

Domestically, we anticipate that the Government of India will maintain strong budgetary support for infrastructure development, recognising its multiplier effect on economic growth. Encouragingly, we are witnessing increased private capital investment in emerging sectors such as energy transition, data centers, electronics and semiconductors, as well as in traditional industries like healthcare and real estate.

Our record-high order book ensures revenue visibility over multiple quarters. Guided by core values of transparency, integrity, professionalism, governance and accountability, your Company remains committed to inclusive growth. By fostering trust, empathy and a culture of continuous learning, we have built the resilience required for sustained progress.

The Company's relentless pursuit of customer satisfaction continues to benefit in

an uncompromising manner.

With a well-diversified portfolio of projects, products and services, we maintain a balanced mix of revenue streams. The inherent agility of our business model, coupled with the deep expertise of our people, equips us to adapt swiftly to evolving

market dynamics. Together, these strengths reinforce our position as the preferred partner for our customers.

Creating Safer Workplaces

Safety remains a top priority, driven by the 'Mission Zero Harm' philosophy and the 'L.I.F.E.' (Live Injury-Free Everyday) framework. Safety capabilities have been significantly strengthened through enhanced supervision, regular safety briefings, extensive training leveraging AR/VR technologies, and such.

To foster a more proactive safety culture across EPC projects, a structured Reward and Penalty System has been implemented. This system directly links safety performance to fixed incentives and penalties, with outcomes influencing annual bonuses for all unit employees. This approach reinforces

collective accountability and promotes the achievement of project goals in a safe and sustainable manner.

Group Businesses

Your Company's journey continues to be defined by resilience, innovation and an unwavering commitment to excellence. With a diversified portfolio spanning infrastructure, energy, manufacturing, services and new-age ventures, your Company is shaping the future through cutting-edge execution and strategic foresight.

1. Infrastructure

Your Company's legacy in delivering large-scale, complex EPC projects remains unmatched. The Company's hallmark of quality and precision is reflected in landmark infrastructure assets across India and abroad.

During the year under review, several iconic milestones were achieved:

- Inauguration of Mumbai Metro Line 3 Package 7 and the Riyadh Metro – two highly visible urban mobility projects
- A major breakthrough in India's longest railway tunnel under RVNL Package 4, carved through the challenging Himalayan terrain
- Successfully commissioned the 1.6 GW Sudair solar PV project and the 700 MW Ar Rass solar PV project – both in Saudi


Aerial view of Mumbai-Ahmedabad High-Speed Rail Project

Arabia, as well as the 800 MW of DEWA Phase VI (Phase A - 600 MW and Phase B - 200 MW) solar PV project in the UAE

- Achieved completion of the 1.4 GW Al Kahfah solar PV project and the 2 GW Ar Rass-2 solar PV project in Saudi Arabia
- Inauguration of National Cricket Academy (NCA), Bengaluru (Karnataka) and Government Medical College and Hospital (GMCHs) in Jamshedpur (Jharkhand) and Jajpur (Odisha)
- Completion of critical expressway stretches, contributing to faster connectivity
- Over two million people benefitted from the commissioning of 10 water supply projects, reinforcing the Company's contribution to essential public services

2. Energy

Your Company is at the forefront of the global energy transition, with decarbonisation embedded in its strategic roadmap across four distinct business verticals: Hydrocarbon Onshore, Hydrocarbon Offshore, CarbonLite Solutions and Green & Clean Energy.



9 MMTPA Crude & Vacuum Distillation Unit (CDU-VDU) for HPCL, Visakhapatnam, Andhra Pradesh

During the year under review, several iconic milestones were achieved:

- Successfully commissioned the 9 MMTPA Crude & Vacuum Distillation Unit (CDU-VDU) under the EPCC-01 package of the HPCL Visakhapatnam Refinery Modernisation Project
- Completion of First Offshore Decommissioning Project in Tapti Gas Fields
- Commenced commercial operation



90 MW Floating Solar Project, Omkareshwar, Madhya Pradesh

of one unit in the 2x660 MW Khurja thermal power project, Uttar Pradesh

- Achieved Boiler Light-up for one unit in the 2x660 MW Buxar thermal power project, Bihar

The segmentation of the Hydrocarbon business into Onshore and Offshore has enhanced execution capabilities by aligning expertise to project environments — land-based facilities (refineries, pipelines) and offshore assets (platforms, subsea pipelines). Notably, the Company secured its largest ever order from an offshore project in the Middle East.

The rebranding of the Energy-Power business to CarbonLite Solutions reflects its pivot towards carbon capture, nuclear turbine island solutions and pumped storage plant turbines, while continuing to deliver BTG packages for domestic thermal power projects.

The newly formed Green & Clean Energy business is building an integrated, scalable and sustainable clean energy ecosystem aligned with global energy transition goals.

3. Hi-Tech Manufacturing

Heavy Engineering Division continues to be a global leader in engineered-to-order equipment, buoyed by renewed investments in the oil & gas sector and underpinned by advanced Industry 4.0 practices.

The Precision Engineering & Systems Division is capitalising on the Government of India's localisation drive and exploring commercial applications of its core capabilities.

Key achievements this year include:

- On-time delivery of the world's heaviest EO, Hydrotreating and HP-HX reactors

- A record-breaking order from Saudi Arabia for over 100 Filter Vessels

- Strong contributions to the *Aatmanirbhar Bharat* initiative with:

- India's indigenous Light Tank 'Zorawar' prototype co-developed with DRDO

- Development of Next Generation Heli Harnessing and Traversing System (NGHTS) for 11 naval ships

- Progress on construction of Fleet Support Ships for the Indian Navy in a public-private partnership (PPP) mode



India's Indigenous Light Tank 'Zorawar' Prototype

- Partnership with ISRO on the GSLV F15 launch, marking the 100th lift-off from Sriharikota, Andhra Pradesh

4. Services (IT, Engineering, Digital and Financial)

Your Company's listed services businesses remain focused on long-term value creation. Despite moderated demand in key markets like the US and Europe, there is renewed momentum in BFSI and retail sectors, supported by strategic investments in generative AI (GenAI).

- LTMindtree:** India's 6th largest IT firm, enabling digital transformation and innovation-led growth for enterprises globally

- L&T Technology Services:** A leader in Engineering R&D, now operating in over 25 countries. Its acquisition of Intelliswift (Silicon Valley) has deepened capabilities in platform engineering, AI and software product development

- L&T Finance:** A technology-driven NBFC with a domestic 'AAA' rating and a 97% retailised loan book, serving rural and urban markets through segments like Rural Business Finance, Urban Finance, SME Finance and Farmer Finance

5. Other Businesses

- L&T Realty:** Among India's top developers, with 70 million sq.ft. of development potential across major cities like Mumbai, Navi Mumbai, Bengaluru, Delhi-NCR and Chennai
- Construction and Mining Machinery:**
 - backed by an in-house Product Development Centre and a robust Product Support Department, the business delivers cost-effective, high-performance solutions
 - in 2024-25, a new milestone was achieved with the handover of the 50,000th Komatsu machine in India.



6. New-age Businesses

Your Company's digital ventures exemplify its agility and readiness for the future:

- L&T-SuFin:** A B2B digital marketplace that streamlines procurement, supply chains, logistics and financing for industrial and construction sectors
- L&T-Cloudfiniti:** 32 MW of existing data center capacity with additional capacity in the pipeline, while scaling cloud services through strategic partnerships
- L&T Semiconductor Technologies:** Aiming to be India's first fabless semiconductor firm, focused on global

smart device design across mobility, energy and industrial sectors

- L&T EduTech:** Bridging industry-academia gaps with digital skilling solutions tailored to future workforce needs



Shareholder value creation remains a key priority through the strategic

divestment of non-core assets, realisation of cost efficiencies, adoption of technology to enhance productivity and focused capital allocation towards energy transition initiatives, as well as emerging businesses and digital platforms.

Our diversified business portfolio, wide geographical presence, strong balance sheet and robust order book are clear indicators of our long-term value creation potential. Complementing this, our proven execution capabilities and a dedicated workforce are enabling a smooth transition to a more digitally advanced work environment.

As a guiding business philosophy, the Company continues to prioritise strong cash generation, prudent capital allocation, maintaining healthy leverage and ensuring regular returns to shareholders.

I am pleased to inform you that the Board of Directors has recommended a final **dividend of ₹ 34/- per share** for the financial year 2024-25.

**Dividend of
₹ 34/-
per share**

Engineering Solutions for the New Age

(a) Digital and AI Transformation

Your Company has long been a frontrunner in adopting and integrating technology, beginning with automation and progressing to Industrial IoT, well ahead of the broader digital transformation trend. This forward-thinking approach has resulted in the creation of connected construction sites, enabled by an advanced network of IoT devices and digital sensors. Custom-built applications have further streamlined



operations by digitising data, thus laying a solid foundation for deeper digital integration.

Building on this momentum, L&T has initiated a structured Artificial Intelligence journey, assembling a team of specialists to harness AI across business functions. This initiative led to the launch of L&T Cognitive Services (L&TCS) — a unified, enterprise-grade AI platform tailored to serve the diverse needs across the L&T Group. By embedding advanced AI technologies, L&TCS enhances automation through predictive and prescriptive analytics, providing data-driven insights that support strategic decision-making and accelerate innovation.

Designed for scalability and impact, L&TCS focuses on improving outcomes in areas such as quality, safety, revenue, time efficiency, inventory management, manpower optimisation and cost reduction — ultimately driving a robust return on investment. The platform underscores our commitment to ongoing innovation and to staying at the forefront of emerging technologies.

Another major milestone has been the establishment of Digital Energy Solutions (DES) within the Power Transmission & Distribution business. DES offers end-to-end electricity-related consulting and digital services globally through a comprehensive suite of proprietary software solutions. These include planning, design, consulting and operational support for renewable energy integration, hybrid energy management systems, substation and control room automation, grid-edge solutions for distributed energy sources and power system cybersecurity. Powered by sophisticated algorithms and simulation tools, DES enables clients across India, the Middle East and the United States to build resilient, future-ready power infrastructure.

Additionally, the Cybersecurity Council plays a pivotal role in strengthening our digital ecosystem. This initiative promotes collaboration, knowledge sharing, and a unified framework for data protection, reinforcing our capability to mitigate cybersecurity risks effectively.

(b) Building Climate Resilience and Advancing the Green Business Agenda

The increasing frequency and intensity of extreme weather events have significantly elevated the risks of asset damage and service disruptions. In response, your Company is uniquely positioned to meet the rising demand for disaster-resilient infrastructure, backed by deep expertise in Clean Energy, Clean Mobility, Water and Sanitation, Green Infrastructure, and other sustainability-linked domains. These solutions not only help lower carbon emissions and improve air quality, but also enhance energy efficiency, water recycling and reuse, and overall resource conservation. Together, these integrated offerings form what we define as our 'Green Business'.

L&T has taken bold strides into emerging clean energy segments, particularly in Green Hydrogen and its derivatives, as well as the development of Small Modular Reactors (SMRs). Electrolyser manufacturing is already underway, reinforcing our early-mover advantage in the Green Hydrogen space. A significant milestone during the year was the regulatory approval granted by the US Department of Energy for the transfer of SMR technology to India. L&T was one of only three Indian companies selected for this transfer, signalling the formal start of our SMR journey and positioning us to lead the commercialisation of nuclear energy in the country.

In both Green Hydrogen and SMRs, the initial phase involves strategic collaborations with global technology partners. However, our long-term vision is clear: to indigenously develop proprietary technology, manufacture critical equipment, and offer cost-effective, innovative solutions tailored for emerging markets. With land secured on the west coast (Kandla, Gujarat) for manufacturing units dedicated to Green Hydrogen and



Green Ammonia, L&T will invest proactively to serve a broader

global geography. Furthermore, we are fully equipped to execute EPC projects in Green Hydrogen, Green Ammonia and Methanol for clients across sectors.

To further sharpen its strategic direction in clean energy, L&T has instituted the L&T Green Energy Council — a distinguished think tank of global domain experts. The Council actively tracks technological trends, assesses policy landscapes and evaluates emerging business models. It also provides strategic guidance on potential collaborations with both Indian and international players, accelerating L&T's progress in green energy innovation.

As part of our expanding green infrastructure portfolio, L&T continues to deliver green buildings certified by LEED, IGBC and GRIHA standards. In FY 2024–25 alone, the Company developed 15.6 million sq.ft. of green-certified building space, bringing the cumulative total to 57.6 million sq.ft. over the last six years.

In the renewable energy domain, L&T commissioned 4.3 GWp of solar capacity during the year. Our total renewable energy portfolio now stands at 26.9 GWp, including 6.9 GWp commissioned capacity and an active construction pipeline of 20 GWp of solar and wind projects. In



addition, we are currently executing 12.8 GWh of Battery Energy Storage Systems (BESS), reinforcing our position as a key player in next-generation energy solutions.

On the clean mobility front, L&T completed the electrification of 419 track km in railway and mass transit systems in FY 2024–25. The Company is also actively involved in the production of equipment for renewable diesel, biofuels and emission control technologies, all of which contribute to the reduction of carbon emissions.

Through these comprehensive initiatives, L&T is not just responding to the climate

challenge but is actively shaping a sustainable future by building resilient, low-carbon and technologically advanced infrastructure.

(c) Sustainability: Building 'A Better World'

Your Company's sustainability agenda is firmly anchored in its vision 'For A Better World', encompassing a broad spectrum of initiatives across Environmental, Social and Governance (ESG) dimensions. The Company remains steadfast in its commitment to water stewardship, circular economy, green supply chains, biodiversity preservation, employee welfare and community development.

In line with its long-term environmental goals, your Company has pledged to achieve Water Neutrality by 2035 and Carbon Neutrality by 2040. These targets are being pursued through concrete actions across operational sites, manufacturing units and project locations.

The Water Technology Centre (WTC) is pioneering sustainable sewage treatment by reducing energy use and footprint through innovations in primary and secondary processes, apart from developing cost-effective tertiary treatments for wastewater reuse, enhancing sludge valorisation and biomethane recovery. WTC is also improving desalination efficiency with patented nanobubble technology and leads in smart utility operations with proprietary digital tools for leak detection and water management.

A key milestone in the Company's water conservation efforts is the implementation of Zero Liquid Discharge (ZLD) systems across all 16 campuses, manufacturing facilities, and even select ongoing project sites. These systems ensure that no wastewater leaves the premises, thus reinforcing L&T's commitment to responsible water use.

Zero Liquid Discharge systems in place across all 16 campuses and manufacturing facilities

Your Company also places significant emphasis on ecological sustainability, whether at its corporate offices, campuses, or at diverse project sites across the country. Several noteworthy initiatives during the year under review include:

- Certification of the A. M. Naik Heavy Engineering Complex (AMNHEC) at Hazira, Gujarat, as L&T's first single-use plastic-free campus, spread over 750 acres. This achievement reflects L&T's commitment to reducing plastic waste at scale.

AMNHEC - Hazira becomes L&T's first single-use plastic-free campus

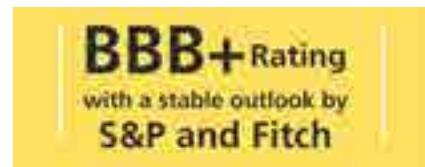
- Expansion of the *Unnati* watershed development programme to two additional blocks in Pachapalayam, Coimbatore (Tamil Nadu). This initiative is designed to combat water scarcity and bolster agricultural resilience. Over the next 3.5 years, the expansion is expected to benefit an additional 8,000 individuals, significantly enhancing community livelihood and water resource sustainability.

These and other initiatives underline your Company's strategic approach to sustainability — where environmental responsibility is interwoven with social impact and operational excellence.

Key Developments

(a) Ratings Upgrade

During the year under review, your Company received a significant endorsement of its financial and operational strength. Global rating agencies Standard & Poor's and Fitch assigned a 'BBB+' credit rating with a stable outlook, positioning the Company two notches above India's sovereign rating. This upgrade reflects L&T's robust business model, strong credit profile and global reputation for excellence.



(b) Expansion of Precision Engineering & Systems

Traditionally focused on the critical sector, the Company's precision engineering capabilities have now been strategically diversified to industrial electronics and other sectors requiring high-precision manufacturing. Additionally, Precision Engineering & Systems has begun collaborating with technology start-ups to strengthen its innovation pipeline and expand its solution portfolio.

(c) Launch of CarbonLite Solutions

As part of its pivot towards clean energy, the Company has rebranded its Power EPC business as CarbonLite Solutions. This new identity reflects a sharpened focus on carbon capture and biofuels. The business will play a critical role in enabling thermal power and other industries to transition towards cleaner energy sources, supporting global decarbonisation goals.

(d) Reclassification of Businesses

To enhance functional autonomy, improve customer alignment and unlock greater growth opportunities, the Company has restructured its businesses to maximise the distinct competencies of each business and accelerate their market responsiveness:

- Renewables EPC has been carved out as a standalone vertical, previously under the Power Transmission & Distribution business.
- Green EPC and Gas-to-Power businesses have been consolidated under the rebranded L&T Green & Clean Energy (formerly L&T Green Energy), signalling a unified thrust in sustainable solutions.

People Powering Progress

L&T's continued success is fundamentally driven by its people. By consistently attracting top talent, promoting continuous learning and self-development and nurturing an entrepreneurial mindset, the Company has cultivated a culture of innovation —

reflected in the many breakthrough solutions L&T is known for today.

Employees benefit from a rich ecosystem of online learning platforms that supplement conventional classroom training with flexible, self-paced development opportunities. During the year under review, an impressive 7.95 lakh learning hours were logged, underscoring the Company's strong commitment to knowledge enhancement and skills development.

L&T's transformation into a technology-led organisation has been powered by its people's readiness to embrace change. The rise of young digital champions across the Company has played a pivotal role in embedding digital capabilities at scale and fostering a new generation of agile, tech-savvy professionals.

A culture of recognition and celebration continues to fuel high performance, foster healthy competition, and reinforce mutual respect among teams. This employee-centric approach has once again earned the Company the prestigious 'Great Place to Work' (GPTW) certification for the

second consecutive year, reaffirming L&T's position as an employer of choice.

Driving Inclusion Through Transformation

Your Company's evolution into a technology-led conglomerate has brought renewed focus to its Diversity & Inclusion (D&I) agenda. The growing participation of women in both engineering and non-engineering roles has not only advanced workplace equity but also contributed to enhanced operational efficiency and innovation.

With a strong commitment to creating an inclusive work environment, your Company continues to invest in career-enabling initiatives and women-centric infrastructure. These efforts have placed it firmly on track to achieve the 'Lakshya' goal of 10% women representation by 2026. As of March 31, 2025, the number of permanent female employees stood at 4,758, accounting for 9.06% of the total workforce.

In a pioneering industry-first initiative, your Company has introduced one day of paid menstrual leave per month for women

employees, effective April 1, 2025. This progressive step reflects the Company's empathetic approach to employee well-being, acknowledging and supporting the unique health needs of women in the workplace.

Giving Back to Society

Your Company remains deeply committed to inclusive growth and building long-term, trust-based relationships with all stakeholders. Through focused CSR interventions in healthcare, education, skill development and water & sanitation, L&T positively impacted the lives of 1.9 million people during the year. A cornerstone of these efforts is the Integrated Community Development Programme (ICDP), which continues to strengthen rural communities through holistic and participative engagement.

Water security remains a persistent

**Benefitted 1.9 million people
through CSR initiatives**



challenge in rural India, where agriculture and livelihoods depend heavily on land and groundwater quality. Since 2014, L&T's *Unnati* watershed development programme has adopted an integrated approach in ecologically sensitive districts of Maharashtra, Rajasthan and Tamil Nadu. To date, the programme has treated 44,856 hectares of land and benefitted 30,092 households.

Implemented in collaboration with local communities, *Unnati* has driven soil and water conservation efforts through the construction of check dams, trenches and native tree plantations. These interventions have led to improved crop yields, increased fodder availability and higher household incomes. Importantly, the establishment of Village Development Committees (VDCs) fosters local ownership, transparency and long-term governance — ensuring the sustainability of these efforts.



Another flagship initiative, the *Jyoti* STEM Education Programme, aims to bridge foundational learning gaps in grades 6–8 across government schools in Gujarat, Tamil Nadu and Maharashtra. By equipping classrooms with digital tools, robotics kits, space learning aids and edu-reels, and by training teachers in activity-based

STEM pedagogy, the programme has transformed the learning environment. In FY 2024–25, 314 schools and 52,924 students benefitted from *Jyoti*, leading to greater student engagement, deeper conceptual clarity and increased interest in maths and science.

While meaningful change takes time, each initiative moves your Company closer to the social impact goals it has set for itself — demonstrating that sustainable business growth and social responsibility can go hand in hand.

Jyoti STEM Education
programme covers
314 schools &
52,924 students

Governance and Ethics

The Company remains steadfast in its commitment to the highest standards of ethics, transparency and accountability across all its operations. Good governance is a must.

A robust governance framework is in place to ensure strict compliance with applicable laws, regulations and global best practices, including those pertaining to human rights and fair business conduct. This unwavering focus on ethical business practices reinforces stakeholder trust and supports the Company's long-term, sustainable growth.

Positioned for the Future

Amidst dynamic global shifts, your Company is strategically poised to seize emerging opportunities. Its proven capabilities in delivering world-class infrastructure and EPC projects, proactive approach to the energy transition, strengths in hi-tech manufacturing and services, and unwavering focus on technology-led, quality execution uniquely position it to lead in the evolving business landscape.

All business verticals are closely aligned with the vision of a cleaner, greener and more sustainable economy, as reflected in the outcomes of Lakshya 2031 — your Company's comprehensive strategic planning initiative that outlines a focused roadmap for the next five years.

I take this opportunity to express my sincere gratitude to our employees, customers, supply chain partners and the Government for their continued support and contributions to our journey. I am also thankful to my fellow Board members for their guidance and commitment.

A special word of thanks to our shareholders — your enduring trust is our greatest strength. We look forward to your continued support as we strive for higher benchmarks of excellence and sustainable growth.

Jai Hind!





LARSEN & TOUBRO

Brighter tomorrows rise from smarter sustainability.

At L&T, we don't just lead – we redefine what's possible through responsible, inclusive business practices in over 50 countries.

We drive change through mega infrastructure projects, modern mobility systems, and smart city initiatives, while minimising environmental impact – creating happier, brighter tomorrows across the globe.



www.Larsentoubro.com

Find us on:

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STAKEHOLDER'S SATISFACTION SURVEY FORM - 2024-25

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. S. N. SUBRAHMANYAN

Chairman & Managing Director

MR. SUBRAMANIAN SARMA

Deputy Managing Director & President

MR. R. SHANKAR RAMAN

President, Whole-time Director & CFO

MR. S. V. DESAI

Whole-time Director & Sr. Executive Vice President
(Civil Infrastructure)

MR. T. MADHAVA DAS

Whole-time Director & Sr. Executive Vice President
(Utilities)

MR. ANIL V. PARAB

Whole-time Director & Sr. Executive Vice President
(Heavy Engineering & L&T Valves)

MR. SANJEEV AGA

Independent Director

MR. NARAYANAN KUMAR

Independent Director

MRS. PREETHA REDDY

Independent Director

MR. PRAMIT JHAVERI

Independent Director

MR. RAJNISH KUMAR

Independent Director

MR. JYOTI SAGAR

Independent Director

MR. AJAY TYAGI

Independent Director

MR. P. R. RAMESH

Independent Director

MR. SIDDHARTHA MOHANTY

Nominee of Life Insurance Corporation of India

Company Secretary & Compliance Officer

Mr. Sivaram Nair A

(upto May 9, 2025)

Mr. Subramanian Narayan

(from May 10, 2025)

Registered Office

L&T House, Ballard Estate, Mumbai - 400 001

Joint Statutory Auditors

M/s. Deloitte Haskins & Sells LLP and

M/s. M S K A & Associates

Registrar & Share Transfer Agents

KFin Technologies Limited

POWERING THE NATION'S HOPES AND ASPIRATIONS.

Since 2019, L&T has been on a mission to empower India's future architects – children. By bringing STEM education to schools, we ignite young minds to dream big, learn fearlessly, and get the foundation to turn their aspirations into reality.

We are not just teaching; we are leading the charge in creating the Nation builders of tomorrow.

REACH



6 Cities



205 Schools



38,589 Students



685 Teachers



EXECUTIVE COMMITTEE (ECOM)



S. N. Subrahmanyam
Chairman & Managing Director



Subramanian Sarma
Deputy Managing Director
& President



R. Shankar Raman
President, Whole-time Director &
Chief Financial Officer



S. V. Desai
Whole-time Director &
Sr. Executive Vice President
(Civil Infrastructure)



T. Madhava Das
Whole-time Director &
Sr. Executive Vice President
(Utilities)



Anil V. Parab
Whole-time Director &
Sr. Executive Vice President
(Heavy Engineering and L&T Valves)



M. V. Satish
Advisor to the Chairman & MD
(Buildings & Factories)

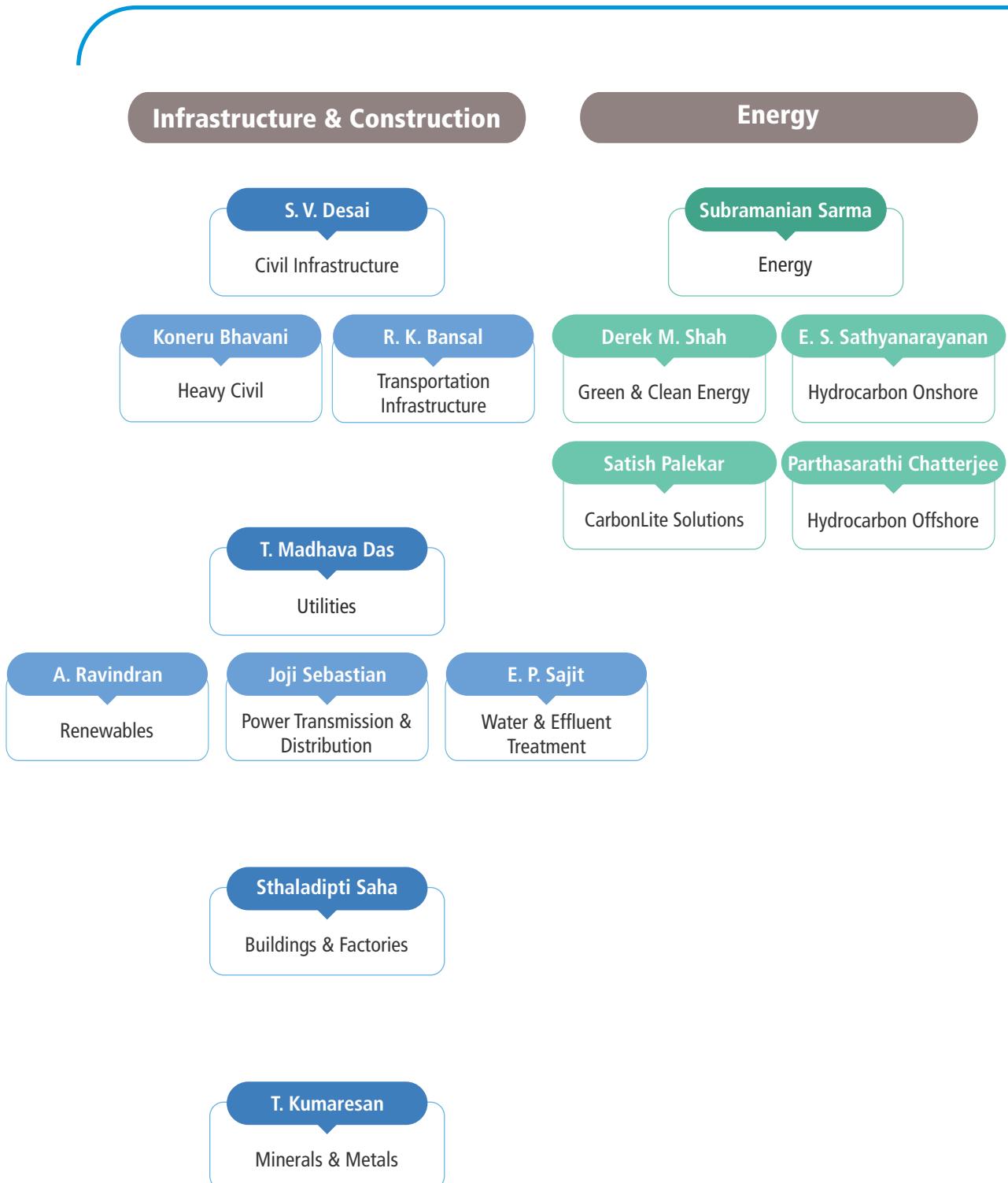


D. K. Sen
Advisor to the Chairman & MD
(Development Projects, Minerals & Metals,
L&T Special Steels & Heavy Forgings,
L&T-SuFin and L&T Aviation)



Shrikant Joshi
Advisor to the Chairman & MD
(L&T Realty)

GROUP BUSINESS STRUCTURE



S. N. Subrahmanyam
Chairman & Managing Director

Hi-Tech Manufacturing

Anil V. Parab

Heavy Engineering and
L&T Valves

Arun Ramchandani

Precision Engineering and
Systems

Debashis Chatterjee

LTI Mindtree

Amit Chadha

L&T Technology Services

Development Projects

K. V. B. Reddy

Hyderabad Metro

S. K. Narang

Nabha Power Limited

Digital Services &
E-Commerce Platforms

L&T SuFin

L&T EduTech

L&T Cloudfiniti

L&T Semiconductor
Technologies

Other Businesses

Anupam Kumar

L&T Realty

Arvind Garg

Construction, Mining, and
Industrial Machinery

Rubber Processing
Machinery

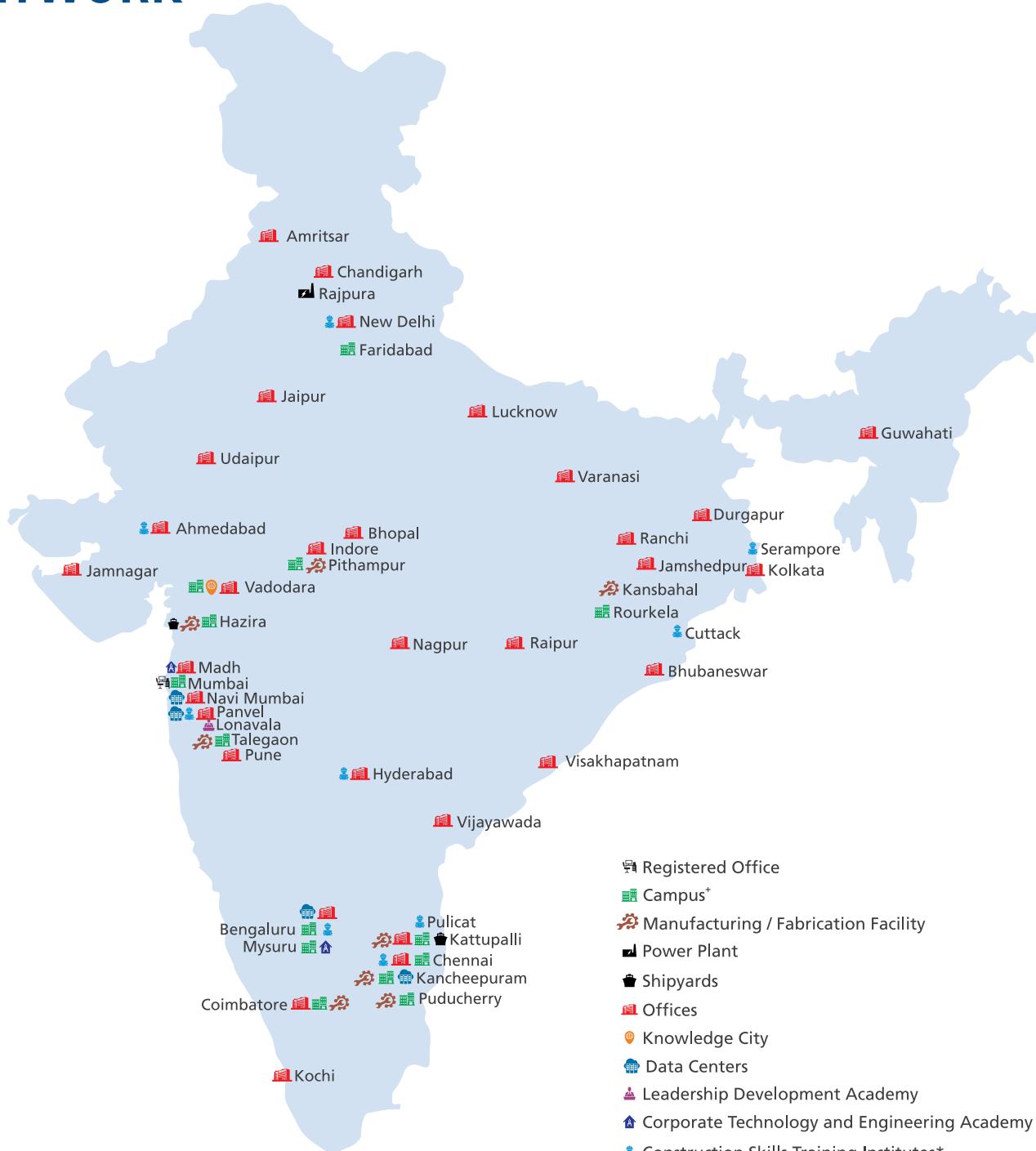
Hydraulics

Financial Services

Sudipta Roy

L&T Finance

NATIONWIDE NETWORK

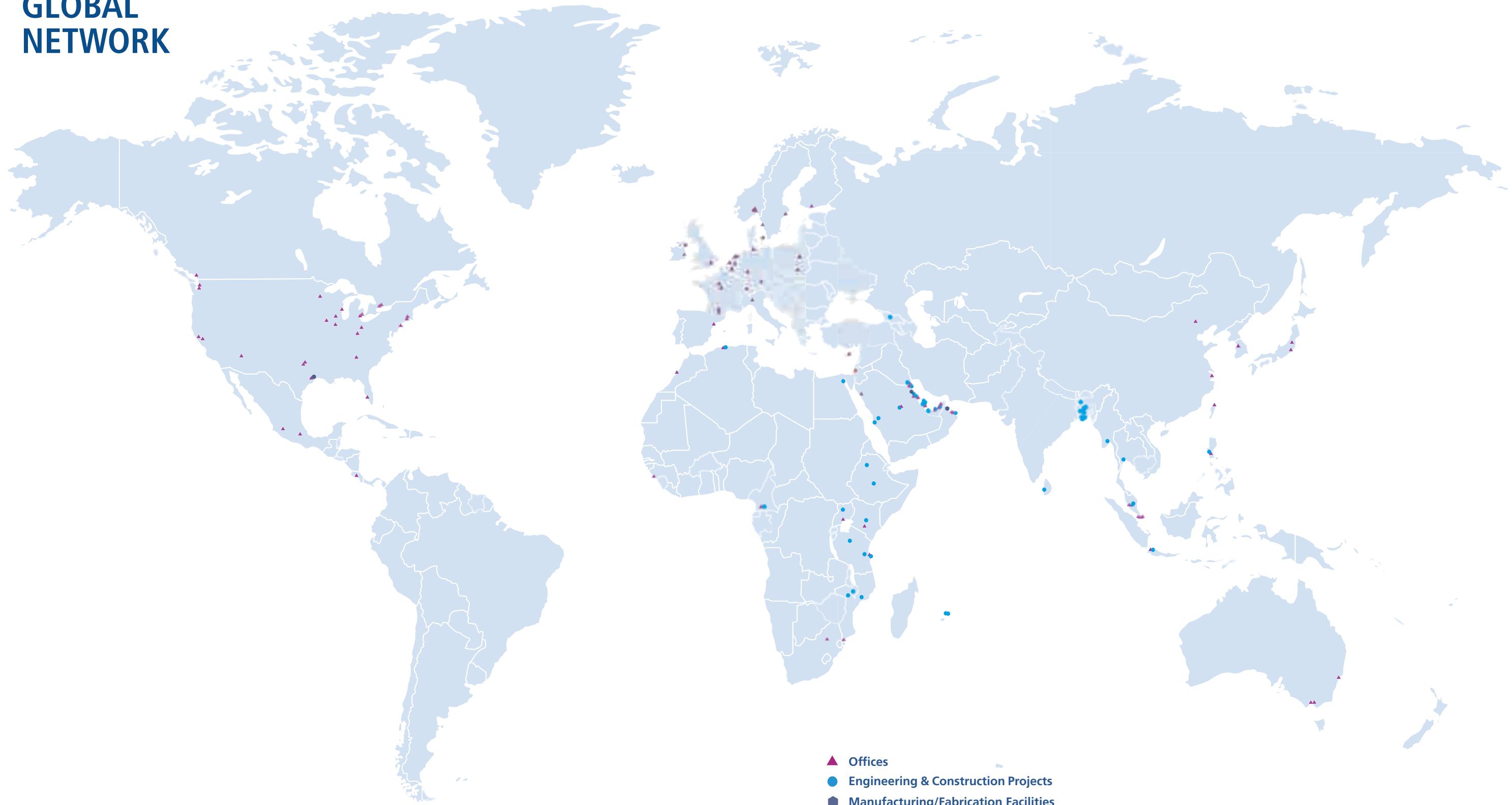


This pictorial representation does not purport to be the political map of India.

* Campus denotes facilities for design and manufacture

* Part of L&T's Corporate Social Initiatives

GLOBAL NETWORK



- ▲ Offices
- Engineering & Construction Projects
- ◆ Manufacturing/Fabrication Facilities

CREATING HAPPIER BRIGHTER TOMORROWS

At L&T we implement cutting-edge technologies that enhance the efficiency, safety and eco-friendliness of our projects, products and solutions; delivering better value and creating happier, brighter tomorrows – *for you.*



STANDALONE FINANCIALS- 10 YEAR HIGHLIGHTS

Description	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
	↔ [9] →	↔ [10] →	↔ [11] →							
Statement of Profit and Loss										
Statement of Profit and Loss										
Gross revenue from operations ^[1]	142509	126233	110501	101000	87255	82384	82287	74612	66301	63813
PBDIT ^{[1][2]}	11588	9729	9295	9055	8309	6838	7653	7701	6481	5829
Profit after tax (excluding exceptional items ^[3])	10396	8883	7849	7612	5966	5414	5466	4861	4560	4454
Profit after tax (including exceptional items ^[3])	10871	9331	7849	7879	11798	6679	7491	5387	5454	5000
Balance Sheet										
Net worth										
Net worth	71896	64516	71528	67114	61738	52175	50048	49174	46013	42135
Borrowings	21935	22540	18151	20298	24474	25785	11990	10561	10558	13924
Capital employed	93831	87056	89679	87412	86212	77960	62038	59735	56571	56059
Ratios and statistics										
PBDIT as % of net revenue from operations ^{[1][4]}										
PBDIT as % of net revenue from operations ^{[1][4]}	8.13	7.71	8.41	8.97	9.52	8.30	9.30	10.34	9.86	9.23
PAT as % of net revenue from operations ^{[1][5]}	7.63	7.39	7.10	7.80	13.52	8.11	9.10	7.23	8.30	7.91
RONW % ^[6]	15.94	13.71	11.32	12.23	20.54	13.07	15.74	11.32	12.37	12.39
Gross Debt: Equity ratio	0.31:1	0.35:1	0.25:1	0.30:1	0.40:1	0.49:1	0.24:1	0.21:1	0.23:1	0.33:1
Basic earnings per equity share (₹) ^[7]	79.06	67.14	55.85	56.09	84.02	47.59	53.43	38.46	39.00	35.81
Book value per equity share (₹) ^[8]	522.81	469.32	508.92	477.67	439.55	371.65	356.79	350.90	328.79	301.57
Dividend per equity share (₹) ^{[8][12]}	34.00	34.00	24.00	22.00	36.00	18.00	18.00	16.00	14.00	12.17
No. of equity shareholders	17,06,264	15,64,085	14,25,064	14,92,124	13,71,535	12,51,569	10,21,275	8,99,902	9,23,628	10,28,541
No. of employees	58,556	60,561	55,202	50,267	49,107	45,467	45,205	42,924	41,466	43,354

[1] For Continuing Operations in 2020-21, 2019-20 and 2018-19

[2] Profit before depreciation, interest and tax (PBDIT) is excluding exceptional items wherever applicable and other income.

[3] Profit from discontinued operations in the year 2020-21, 2019-20 and 2018-19 has been considered as exceptional item.

[4] PBDIT as % of net revenue from operations = [(PBDIT)/(gross revenue from operations less excise duty up to June 30, 2017)].

[5] Profit After Tax (PAT) as % of net revenue from operations = [(PAT including exceptional items)/(gross revenue from operations less excise duty up to June 30, 2017)].

[6] RONW [(PAT including exceptional items)/(average net worth)].

[7] Basic earnings per equity share has been calculated including exceptional items and adjusted for all the years for issue of bonus shares.

[8] After considering adjustments for issue of bonus shares during the respective years.

[9] Figures from 2023-24 include the impact of the merger of L&T Energy Hydrocarbon Engineering Limited with the Company.

[10] Figures from 2020-21 include the impact of the merger of L&T Hydrocarbon with the Company.

[11] Figures from 2018-19 include the impact of the merger of L&T Shipbuilding Limited with the Company.

[12] Dividend for 2020-21 includes special dividend of ₹ 18.00 per share and final dividend of ₹ 18 per share. Dividend for 2023-24 includes special dividend of ₹ 6.00 per share and final dividend of ₹ 28 per share.

CONSOLIDATED FINANCIALS- 10 YEAR HIGHLIGHTS

Description	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Statement of Profit and Loss										
Gross revenue from operations ^[1]	255734	221113	183341	156521	135979	145452	135220	119862	110011	101975
PBDIT ^{[1][2]}	26435	23494	20753	18205	15624	16329	15330	13641	11130	10463
Profit for the year [PAT]	17673	15547	12531	10419	12921	10894	10217	8004	6486	4545
Profit attributable to the Owners of the Company (excluding exceptional items ^[3])	14562	12966	10374	8572	6965	8894	8144	7151	5920	4154
Profit attributable to the Owners of the Company (including exceptional items ^[3])	15037	13059	10471	8669	11583	9549	8905	7370	6041	4233
Balance Sheet										
Net worth attributable to the Owners of the Company	97656	86359	89326	82408	75869	66723	62375	54904	50217	44180
Non-controlling interest	17748	16190	14241	12966	12052	9521	6826	5201	3564	2893
Borrowings	129559	114040	118513	123468	132605	141007	125555	107524	93954	88135
Capital employed	244963	216589	222080	218842	220525	217251	194756	167629	147735	135208
Ratios and statistics										
PBDIT as % of net revenue from operations ^{[1][4]}	10.34	10.63	11.32	11.63	11.49	11.23	11.34	11.40	10.18	10.35
PAT as % of (net revenue from operations ^[1]) ^[5]	6.91	7.03	6.83	6.66	9.50	7.49	7.56	6.69	5.93	4.49
RONW % ^[6]	16.34	14.87	12.19	10.95	16.25	14.80	15.35	14.12	12.80	9.91
Gross Debt: Equity ratio	1.12:1	1.11:1	1.14:1	1.29:1	1.51:1	1.85:1	1.81:1	1.79:1	1.75:1	1.87:1
Basic earnings per equity share (₹) ^[7]	109.36	93.96	74.51	61.71	82.49	68.04	63.51	52.62	43.20	30.32
Book value per equity share (₹) ^[8]	710.12	628.22	635.55	586.52	540.16	475.27	444.67	391.78	358.83	316.20
Dividend per equity share (₹) ^{[8][9][10]}	34.00	34.00	24.00	22.00	36.00	18.00	18.00	16.00	14.00	12.17

[1] From Continuing Operations in 2020-21, 2019-20 and 2018-19.

[2] Profit before depreciation, interest and tax [PBDIT] is excluding exceptional items wherever applicable and other income.

[3] Profit from discontinued operations in the year 2020-21, 2019-20 and 2018-19 has been considered as exceptional item.

[4] PBDIT as % of net revenue from operations =[PBDIT/(gross revenue from operations less excise duty upto June 30, 2017)].

[5] PAT as % of net revenue from operations = [PAT/(gross revenue from operations less excise duty upto June 30, 2017)].

[6] RONW = [(Profit attributable to the Owners of the Company including exceptional items)/(average net worth)].

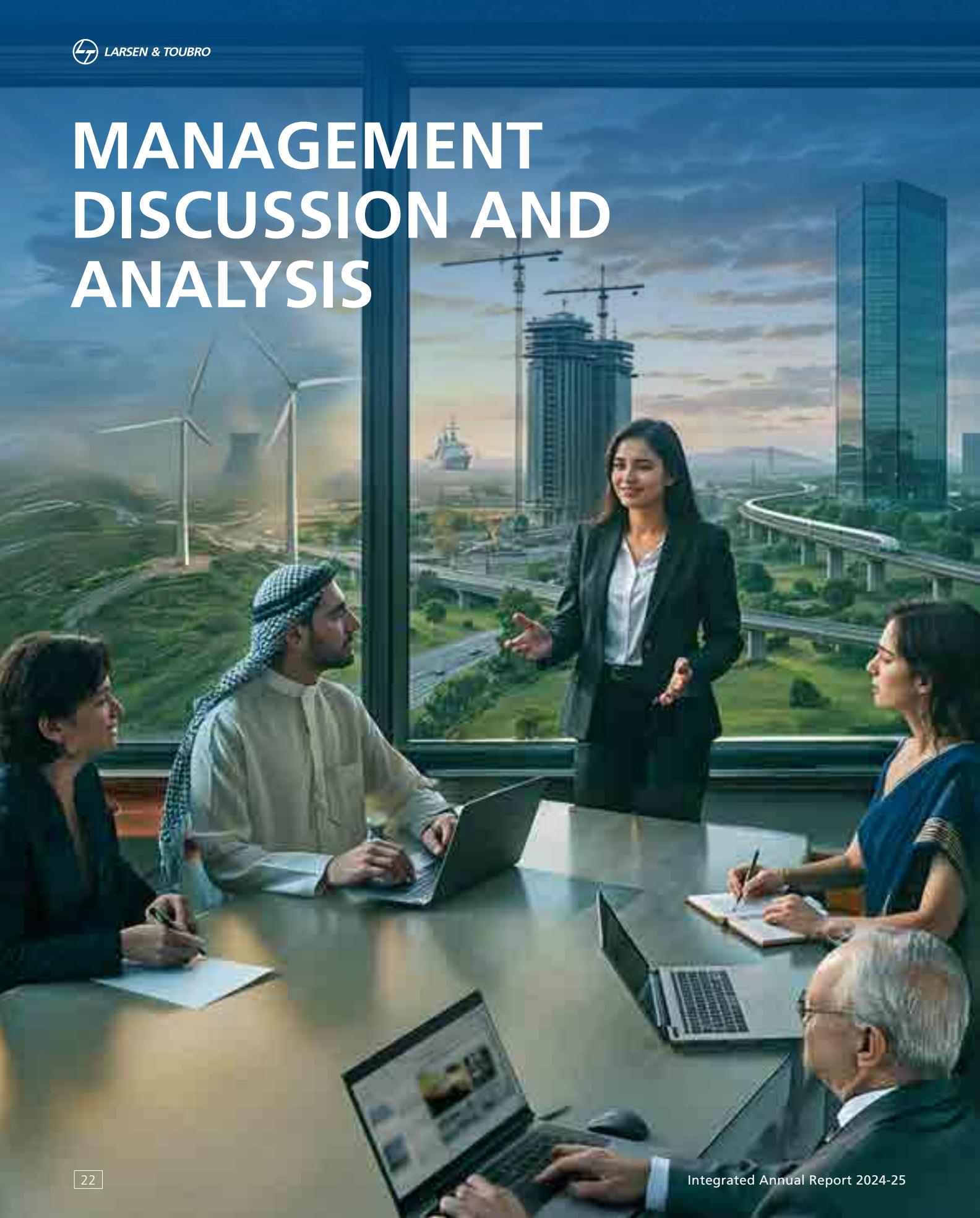
[7] Basic earnings per equity share has been calculated including exceptional items and adjusted for all the years for issue of bonus shares.

[8] After considering adjustment for issue of bonus shares during respective years.

[9] Dividend for the year 2020-21 includes special dividend of ₹ 18.00 per share and final dividend of ₹ 18.00 per share

[10] Dividend for the year 2023-24 includes special dividend of ₹ 6.00 per share and final dividend of ₹ 28.00 per share

MANAGEMENT DISCUSSION AND ANALYSIS



Economy

Indian Economy

Despite the prevailing global uncertainties, the Indian economy is estimated to grow between 6.25-6.50% during the current year 2024-25. The agriculture sector is expected to grow ~4%, the industrial sector ~6% and the services sector ~7%. In absolute terms, the agriculture sector continued to operate well above pre-pandemic trend levels. Whereas, in the industrial sector, sustained growth through FY 2023-24 and FY 2024-25, has led to the closure of the trend gap. The recovery within the services sector has been uneven, and as a result, the sector is only now approaching its long-term trend levels.

India's headline inflation, as measured by the Consumer Price Index (CPI), has eased considerably during the year. The monthly average CPI print was 4.63% in FY 2024-25 vs. 5.35% in FY 2023-24. This decline was primarily led by a decrease in core services and fuel price inflation. Food price inflation continued to hold firm impacted by weather related supply disruptions. For FY 2025-26, the Reserve Bank of India (RBI) has forecast CPI inflation at 4%, based on the expectation of a normal monsoon.

Policy rates remained unchanged through the April-December 2024 period with the repo rate at 6.50%. However, with relatively weaker growth prints and falling underlying inflation, the Monetary Policy Committee (MPC) changed its policy stance from 'Withdrawal of Accommodation' to 'Neutral' in October 2024. Further, to inject liquidity into the banking system a reduction in CRR to 4.00% of NDTL from 4.50% was announced in December 2024. In February 2025, the RBI lowered the repo rate to 6.25% in response to downward revisions in growth forecasts for H1 FY 2025-26, while keeping the inflation trajectory aligned with its target.

The external trade sector has demonstrated stability and growth despite uncertainties in the global trade environment. In FY 2024-25, export trade in merchandise and services exceeded USD 800 billion, a growth of 5.5%. Total imports during the period are estimated at USD 915 billion, registering a growth of 6.8%.

After a relative stable H1 FY 2024-25, the rupee weakened against the USD by around 5% in the period from October to (mid) February, a period which saw increased financial market volatility. While Foreign Portfolio Investment (FPI) inflows were positive, amounting to approximately USD 20 billion in H1 FY 2024-25, the trend reversed in H2 FY 2024-25, with net outflows of a similar magnitude. Investments in debt securities saw net inflows of around USD 15 billion, whereas equity investments registered net outflows of a comparable amount for FY 2024-25.

The Indian economy is expected to remain resilient, supported by robust consumption from households, alongside the government's continued focus on capital expenditure. Capacity utilisation in manufacturing remains high and balance sheets of banks and corporates remain healthy. The economy has also undergone rapid digitalisation over the past decade, significantly boosting productivity. The service sector has increasingly shifted towards high-tech digital solutions, including e-commerce, fintech, cloud computing and AI-driven services.

The risks to growth remain largely external – rising tariff barriers, stretched supply chains and continuing geopolitical tensions. The country will have to adapt to the evolving global landscape and harness its domestic strengths to drive growth in a sustainable manner.

Global Economy

World GDP grew by 2.7% in calendar year 2024, with regional growth varying significantly. The United States saw robust growth at 2.8%, while the Eurozone experienced more subdued growth at 0.8%. Growth in emerging markets was driven by India and China, which recorded growth rates of 6.5% and 5%, respectively. For the most part, the year was marked by improving financial conditions, declining inflation and a partial de-escalation of regional conflicts.

In the United States, the balance of risks has shifted from inflation to growth, as the effects of increased tariff measures would begin to impact the economy. In addition, changes in the regulatory environment, immigration policies and fiscal policy are expected to influence the dynamics between growth and inflation. The upside risk to inflation from tariffs, coupled with the downside risks to growth, could create a challenging environment for monetary policy. Technology is expected to remain a bright spot for the US economy in 2025, with spending projected to surpass USD 2 trillion for the first time.

The economies of Europe and UK continue to remain fragile. However, the commitment by Germany to permit fiscal loosening through a special EUR 500 billion off-budget infrastructure fund, to be disbursed over a decade, could alter the medium-term growth dynamics for Europe.

China would be the most directly impacted economy if the tariffs imposed by the United States take effect. To stabilise the economy, the government may employ a combination of monetary easing and fiscal support measures aimed at boosting domestic consumption and addressing weaknesses in the property sector.

The Gulf Cooperation Council (GCC), led by Saudi Arabia, is likely to continue strengthening both the physical and digital infrastructure of the region, in addition to monetising its oil & gas assets. As GCC countries embark on the transition from oil to clean energy and pursue various industrialisation initiatives, the region's growth opportunities remain healthy.

With global cross-border trade and investment flows slowing there is a growing risk of rising cost pressures, reduced productivity and slower efficiency gains. However, with trade in services not being directly affected by tariff-related disruptions, the global IT outsourcing market is expected to remain relatively resilient. India's technology sector is expected to grow by around 5% in FY 2025-26, with revenues projected to exceed USD 300 billion.

India remains relatively insulated from global headwinds and is on track to become the world's third-largest economy in the medium-term. It continues to be one of the fastest-growing large economies, supported by favourable demographics, investment led impetus, and ongoing regulatory reforms.

Business Model and Strategy

Strategy Formulation

Business strategy formulation aims to set long-term goals for the Group and identify areas to leverage its strengths, explore new business opportunities, and enhance its existing capabilities and offerings. This is enabled through plans with two different time horizons, viz. medium-term strategic plan (5 years) and short-term (annual) budget targets.

'Lakshya', the Group's 5-year strategic plan, is developed through a collaborative process across the organisation. Lakshya 2026 seeks to achieve value-accretive growth in the existing business portfolio through a multi-pronged approach of targeting opportunities arising out of global trends, along with a focus on ESG and Sustainability. The underlying emphasis of Lakshya 2026 is to ride the momentum in existing trends through project wins and faster execution as well as capitalise on emerging trends through creating new capability and generating new streams of revenue. In addition, there is continued focus on timely completion of projects, driving profitability through operational excellence, value engineering, and various digitalisation-led productivity improvement initiatives. Lakshya 2026 has completed its fourth year in FY 2024-25 and is satisfactorily progressing towards the targets set in the plan.

The megatrend of energy transition has strengthened in recent years. This is clear from the business opportunities that have opened up in the renewables space. Hence, the Renewables business has been carved out from Power Transmission &

Distribution business and is now a separate business vertical within the Infrastructure segment. This restructuring will allow a focus on excelling in the renewable energy sector, ensuring strong execution and sustained profitability as the Group continues to expand its footprint in this rapidly evolving market.

India as well as the Middle East and North Africa (MENA) region are both experiencing rapid infrastructure development and economic diversification because of the megatrends of urbanisation and demographics. Buoyed by this market opportunity, the Minerals & Metals vertical within the Infrastructure segment has achieved remarkable progress and has demonstrated strong performance across all business metrics.

Technology transformations, be it digital, materials/semiconductors, or in the energy sphere, are happening at an ever-increasing pace. The Group continues to accelerate the growth of its newly seeded business lines, viz. Green Hydrogen and its derivatives, Semiconductor technologies, Data Centers, and E-commerce and Digital Platform businesses (L&T EduTech and L&T-SuFin). L&T Semiconductor Technologies Limited has acquired SiliConch Systems Private Limited and the data center business, Cloudfiniti has entered into a strategic partnership with E2E Networks Limited for Cloud, AI and high-performance computing.

The Group remains vigilant of the evolving geopolitical scenario. The diversity of its businesses and the spread across multiple regions provide overall resilience and ability to respond tactically as well as seize new and emerging opportunities.

Business Model

Value creation is enabled through a portfolio comprising:



EPC Projects

EPC Projects focus on the proven core competencies of conceptualising, designing, executing and commissioning large, complex projects in the areas of transportation infrastructure, power transmission & distribution, water & irrigation infrastructure, buildings & factories, metals & mining, energy generation & storage solutions, oil & gas, and energy transition.



Hi-Tech Manufacturing

Hi-Tech Manufacturing focuses on custom-designed and built equipment catering to process plants for various sectors (including nuclear); precision engineering and systems for the defence & aerospace sectors; electrolyzers for hydrogen production; industrial and bulk material handling; construction machinery & mining equipment; and industrial valves.



Services

The Services businesses cater to sectors of IT (through LTIMindtree), Engineering R&D (through LTTS), Financial Services (through L&T Finance), Real Estate Development (through L&T Realty), B2B E-commerce (through L&T-SuFin), Skilling and Assessment (through L&T EduTech), Data / Cloud Services (through L&T-Cloudfiniti) and Semiconductor Chip design (through L&T Semiconductor Technologies Limited)

In addition to the above, the Group continues to pursue its goal of unlocking value by staying asset-light and exiting non-core businesses.

The Group's businesses and offerings are closely linked to global megatrends.

Urbanisation and Demographic



- High-rise buildings (B&F)
- Multi-modal transportation network (TI, HCI)
- High-capacity utility networks (PT&D, WET)
- Safe and smart cities (LTTS)
- Construction metals (M&M)

Increasing population pressures in cities leading to various challenges (e.g. congestion, pollution) and call for better solutions

Energy Transition



- Renewables – solar, energy storage (RE, HCI)
- Green buildings (B&F)
- Clean fuels (HE, LTEH)
- Green Hydrogen (GE)
- Water recycling and reuse solutions (WET)

Climate change and resource scarcity driving need for solutions to balance growing needs with environment

Mobility Growth



- Mass rapid transit systems (TI, HCI)
- World-class airports (B&F, TI)
- Electric, autonomous and connected systems (LTTS)
- Expressways and road cum rail networks (TI)

Safe, fast, affordable and environment-friendly solutions for movement of people and goods

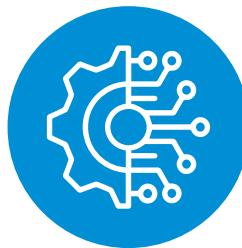
Societal Challenge



- Water and sewage treatment systems (WET)
- Housing (B&F, LTR)
- Energy-efficient power systems and microgrids (PT&D)
- Financial services (LTF)

Universal coverage for basic amenities while keeping up with growing demands of global population

Technology Transformation



- Cloud, big data, AI/ML, AR/VR, 5G, cybersecurity (LTIM, LTTS)
- Automation, Industry 4.0, Digital Engineering (LTIM, LTTS)
- Chip design (LTSCT)
- Data storage and computing (L&T-Cloudfiniti)
- Platforms (L&T-SuFin, L&T EduTech)

Technology and services offerings to transform businesses across various domains

B&F	Buildings & Factories	LTTS	L&T Technology Services
HCI	Heavy Civil Infrastructure	PT&D	Power Transmission & Distribution
HE	Heavy Engineering	RE	Renewables
LTEH	L&T Energy - Hydrocarbon	M&M	Minerals & Metals
GE	Green & Clean Energy	TI	Transportation Infrastructure
LTIM	LTIMindtree	WET	Water & Effluent Treatment
LTR	L&T Realty	LTSCT	L&T Semiconductor Technologies

Portfolio Strategy

The portfolio strategy focuses on growth by diversifying revenue streams, exploring new opportunities, and enhancing profitability to create value for all stakeholders.

Complementing the mature businesses with growth-stage businesses

While the Group relies on mature businesses for cash generation and steady growth, the focus is also on seeding and scaling up new, tech-driven businesses with high growth potential



Geographically diversified businesses

India continues to remain the primary market for EPC Projects, Hi-Tech Manufacturing and Financial Services businesses. Additionally, GCC has emerged as a significant market for the EPC and Energy businesses. The Americas and Europe will continue to be the primary geographies for the IT services businesses.



Balancing the cyclical nature of the EPC business through a portfolio of Services businesses

To have a better revenue profile and improved profitability, the Group intends to increase the share of the IT&TS services business while pursuing growth in the traditional EPC and Hi-Tech Manufacturing businesses.



Supplementing the standalone offerings with partnerships

For Hi-Tech Manufacturing and EPC Projects businesses, the Group has partnered with several large global process and technology licensors, and EPC contractors to expand the scope of its business offerings. For the IT and Technology Services businesses, the Group has strategic partnerships with established global software product and technology companies.

IT services business witnessed moderate growth, driven by an increase in discretionary spending and improvement in the BFSI sector in North America. The EPC Projects and Hi-Tech Manufacturing portfolio saw robust growth aided by capex-led focus in India and oil & gas and clean energy investments in the Middle East.

Strategic Thrust and Direction

The Group continues to be guided by the strategic objectives formulated under Lakshya 2026 plan. These are outlined below. As 2025-26 will be terminal year for current Lakshya 2026 plan, the group has also initiated the process to formulate the next 5-year strategic plan - Lakshya 2031 which will be finalised in FY 2025-26.

The Strategic Objectives

- SO-I** Value-accretive growth of current businesses
- SO-II** Scaling-up Digital and E-commerce businesses
- SO-III** Developing business offerings to ride the Energy Transition wave
- SO-IV** Divestment of non-core businesses
- SO-V** Enabling business sustainability through high focus on ESG and Stakeholder Value Creation

These Strategic Objectives are supported through Strategic Enablers:

- SE-1** Operational excellence for leadership in cost-competitiveness and world-class execution
- SE-2** Industry-leading capabilities in digital technologies and analytics for improved productivity, ESG effectiveness and strengthening revenue streams
- SE-3** Financial resources to enable growth of the businesses and sound financial health to facilitate access to capital markets, when required
- SE-4** Talent and leadership pipeline to drive business continuity and growth
- SE-5** Capability development through R&D, absorption of new technologies and partnerships

Performance in FY 2024-25 against Strategic Objectives:

OBJECTIVES	PERFORMANCE MEASURES	PERFORMANCE
SO-I Value-accretive growth of current businesses	<ul style="list-style-type: none"> □ Revenue growth □ Composition of Services in Total Revenues 	<p>In FY 2024-25, the Group achieved revenues of ₹ 2,55,734 crore (16% growth y-o-y). The Services businesses reported modest growth of 8% y-o-y. The composition of service businesses to total revenue is at 26% in FY 2024-25 compared to 28% in FY 2023-24.</p>
SO-II Scaling up digital and e-commerce businesses	<ul style="list-style-type: none"> □ Growth of Digital & E-commerce businesses 	<p>In FY 2024-25, L&T-Cloudfiniti (data centers and related services) saw its operations start at the Kancheepuram Data Center – Phase 1 with 12 MW capacity. It also announced strategic partnership with E2E Networks Limited to accelerate cloud and AI innovation for Indian enterprises.</p> <p>Further, three new data centers in Mahape, Panvel and Bangalore are under active consideration.</p> <p>Acquisition of SiliConch Systems Private Limited by L&T Semiconductor Technologies Limited, a semiconductor start-up focused on power semiconductors, highlights the Group's dedication to innovation and sustainability in the semiconductor industry.</p> <p>L&T-SuFin and L&T EduTech have also been scaled up further in FY 2024-25</p>
SO-III Developing business offerings to ride the Energy Transition wave	<ul style="list-style-type: none"> □ Size of Green Business □ New business or business offerings developed 	<p>The Group increased the share of Green Business to ~₹ 75,500 crore, which is 53% of standalone revenue in FY 2024-25 (as compared to 50% in FY 2023-24).</p> <p>L&T continues to prioritise its participation in energy transition and sustainability. The Renewables business vertical was carved out from the Power Transmission & Distribution business within the infrastructure segment to enhance the Company's focus on opportunities in the Green space.</p> <p>L&T Energy GreenTech Limited signed a Memorandum of Understanding (MoU) with John Cockerill to explore various technologies in Concentrated Solar Power (CSP) and Thermal Energy Storage (TES).</p>
SO-IV Divestment of non-core businesses	<ul style="list-style-type: none"> □ Businesses divested 	<p>The entire stake in L&T Infrastructure Development Projects Limited (L&T IDPL) (a joint venture with investments in road projects and a power transmission asset) was divested on April 10, 2024.</p> <p>The Group continues to actively pursue divestments of other non-core assets and is also exploring various alternatives to de-risk its current exposure in L&T Metro Rail (Hyderabad) Limited.</p>
SO-V Enabling business sustainability through a high focus on ESG and Stakeholder Value Creation	<ul style="list-style-type: none"> □ Metrics linked to ESG performance are based on materiality, e.g. <ul style="list-style-type: none"> - Carbon footprint - Resource consumption - Lost time injury frequency rate - Training hours 	<p>For details, refer to the following in the Integrated Report section:</p> <ul style="list-style-type: none"> □ Natural Capital □ Social and Relationship Capital □ Human Capital

Risk Management Framework

Being a global conglomerate operating in multiple geographies across a number of sectors spanning engineering, construction, manufacturing, technology, financial services, and much more, L&T is exposed to a diverse range of risks. Effective risk management is therefore integral to the Company's functioning and plays a critical role in achieving sustained growth, ensuring operational efficiency and safeguarding stakeholder interests. The Company's robust risk management framework proactively identifies, assesses and mitigates potential risks. The Chief Risk Officer facilitates institutionalisation of Enterprise Risk Management processes and regularly apprises the Board Risk Management Committee and Apex Risk Management Committee about these risks.

The key risks that L&T faces can broadly be classified as:

- a) Operational risks
- b) Tactical risks
- c) Strategic risks

Operational Risks

L&T's projects are often large-scale, complex and involve multiple stakeholders, which increase operational risks such as project delays, cost overruns and supply chain disruptions.

Project Execution Risks

Workmen Shortages: Availability of skilled workmen and workforce attrition can impact construction schedules.

Regulatory Delays: Prolonged environmental and statutory approvals, land acquisition issues, and right-of-way availability can impact project timelines.

Supply Chain Disruptions: Delays in the delivery of key materials and equipment due to vendor issues, geopolitical constraints, or logistical bottlenecks can lead to cost escalations.

Design Changes/Approval delays: Frequent modifications in project design, delay in client approvals and rework due to client requirements can result in additional costs and extended deadlines.

The Company mitigates these risks by careful client and geography selection, leveraging advanced project management techniques, digitalisation and strategic partnerships with suppliers and subcontractors.

Quality and Safety Risks

Construction Quality

Construction quality risks refer to the potential issues in structural integrity, safety, workmanship and compliance

with regulatory and client specifications. L&T's projects typically demonstrate attention to quality, safety and technical standards. L&T enforces strict quality control protocols, third-party audits and compliance with global engineering standards. The Company adheres to international standards and guidelines such as ISO 9001:2015.

Workplace Safety Risks

L&T is committed to Mission Zero Harm and relentlessly works towards enhancing the health and safety standards within the organisation as well as that of workers and subcontractors working on behalf of the Company at project sites or premises. This includes using continuous sensitisation, toolbox talks, providing protective gear and conducting special training in the safe handling of equipment and material. The Company adheres to international standards and guidelines such as ISO 45001:2018.

Supply Chain and Vendor Management Risks

L&T undertakes rigorous pre-qualification of vendors, has back-to-back operational and financial guarantee arrangements with subcontractors, does regular monitoring and ensures diversification of its supplier base.

Technology and Cybersecurity Risks

L&T has a robust Cyber Security Assurance Framework encompassing processes, standards and technology for managing cyber risks. These risks are monitored and mitigated at the level of individual businesses. Senior management has regular oversight through various councils and risk management committees. In addition, a Cyber Security Operations Centre has been established which monitors security alerts on 24x7 basis. All the necessary safeguards to maintain desired security and resiliency levels have been deployed within the organisation.

Legal and Contractual Risks

Given the complexity and long duration of projects, disagreements over contractual terms and project scope can arise. L&T proactively negotiates clear contractual terms and engages experts for risk assessment to minimise legal and contractual risks. Further, L&T endeavours to limit its total contractual liability on any project to a reasonable level.

Logistics and Infrastructure Challenges

Large-scale infrastructure projects require the movement of heavy equipment and materials across regions and countries. Challenges include port congestion and customs protocol delays, road conditions, inadequate transport infrastructure, weather and climate disruptions.

L&T incorporates risk-based logistics planning and leverages digital tracking tools to ensure smooth supply chain operations. An integrated logistics management portal has been developed to help businesses with their decision making.

Black Swan Events

L&T has a crisis management framework for responding to crisis situations such as natural calamities, geopolitical upheaval, local unrest, war, terrorist attacks and other emergency situations, and ensuring the safety and security of its employees, workforce, assets and operations globally.

Risks related to Manufacturing Operations

L&T's manufacturing facilities are critical to delivering high quality engineered products and ensuring timely project execution. These facilities, while enabling operational scale and efficiency, are also subject to risks related to supply chain, geopolitical tensions, natural disasters and regulatory compliance. The Company implements robust safety and sustainability protocols as well as maintains contingency plans to mitigate the impact of natural disasters, environmental events, or localised sociopolitical disruptions. Technology upgrades and digitalisation initiatives are being leveraged to enhance resilience, optimise throughput and ensure business continuity across all manufacturing locations.

Tactical Risks

Market and Industry Risks

- **Economic and Policy Risks:** L&T's core EPC business is dependent on infrastructure investments by governments and private entities. Economic slowdowns, budget constraints, or shifts in government priorities can lead to delays or cancellations of major projects. Additionally, periods of high inflation and rising interest rates can reduce capital spending, affecting the Company's order inflows and revenue visibility.
- **Competition and Pricing Pressure:** L&T faces competition from both domestic players in India and international firms abroad. Competitive bidding, particularly in government tenders, exerts pressure on margin, and aggressive pricing strategies by competitors can impact L&T's ability to secure projects.
- **Slowdown in Key End-Markets:** Sectors like oil & gas, power, real estate and infrastructure are sensitive to macroeconomic cycles, oil prices and countries' fiscal health, impacting order book growth.
- **Adequacy of Credit Facilities:** Construction projects in India, Middle East, Africa and other Asian countries are bank guarantee (BG)-intensive, as BGs (bid, performance,

advance payment, material, retention) are to be issued to clients during the project tenure. L&T ensures availability of adequate bank credit lines and bond facilities from financial institutions to meet these requirements. The Company's strong credit worthiness is reflected via AAA Domestic Credit Rating (from CRISIL and India Ratings), and BBB+ International Credit Rating (from S&P and Fitch) – which is two levels above India's sovereign rating.

L&T maintains a balanced mix of projects across sectors, geographies and clients to reduce over-reliance on any single market or funding source. Further, L&T strategically bids for projects funded by global multilateral institutions which are less susceptible to local in-country fiscal constraints. To manage competition risk, L&T is focused on long term relationships with clients, superior design and execution and timely completion of projects. Additionally, L&T collaborates with global EPC, technology firms, key suppliers and local partners to strengthen bid competitiveness and optimise costs.

Geopolitical/Country Risk

L&T mitigates geopolitical and country risks through comprehensive country risk assessments during the bidding stage, diversification of business lines across geographies, and working primarily with sovereign or creditworthy clients. Further, L&T closely monitors geopolitical developments and incorporates risk mitigation strategies such as contract structuring, hedging mechanisms, and contingency planning to safeguard project viability and financial exposure.

Sanctions and Regulatory Risks

L&T continuously monitors sanctions related developments and ensures strict adherence to international compliance norms. L&T has a strong internal control framework in place and a robust process of carrying out due diligence of counterparties, countries, sanctions and end-use of products manufactured.

Workforce and Talent Management Risks

L&T develops workforce and talent through a blend of internal capability building, local talent integration, robust HR processes and a culture of continuous learning. L&T invests in upskilling programmes and leadership development to retain talent and bridge skill gaps. The Company provides training to thousands of young workers each year at its nine Construction Skill Training Institutes (CSTIs) and its five sub-centres. Further, L&T has developed a Central Workmen Mobilisation Cell to centrally collate workmen requirements and coordinate with sourcing centres to deploy workers where needed.

Strategic Risks

Energy Transition

Energy Transition is transforming industries across the world. This shift impacts businesses at the operational level by increasing the demand for 'green specifications' in tenders, building codes and other regulatory frameworks. It also presents new opportunities, such as EPC projects for Solar Energy, Pumped Hydro Storage & Battery Storage projects, and emerging sectors like Green Hydrogen production / Electrolyser manufacturing. Additionally, there are increased opportunities in transmission & distribution due to the need for grid reconfiguration and evacuation requirements for renewable energy sources.

L&T has identified significant business opportunities linked to energy transition, especially in the decarbonisation of the energy sector. By leveraging these opportunities, L&T aims to align its business strategies with decarbonisation trends while managing the risks associated with new technologies.

Climate Change

Climate change heightens the frequency and intensity of physical risks, thus posing execution challenges. These risks manifest as acute events — extreme weather, heavy precipitation — and chronic impacts — higher temperatures, rising sea levels. Increasingly, extreme weather events can disrupt project timelines, while gradual shifts such as rising temperatures and sea levels pose challenges to long-term business sustainability.

For dealing with periods of extremely high temperature or flood conditions, measures are taken to optimise the work-rest cycle, early warning systems, shelters for the workforce, and awareness sessions and advisories to apprise the workforce of risks, reporting of issues, and preventive measures to be taken.

Investment Risk

L&T actively considers investing in emerging sectors that have synergies with its EPC projects and Services competencies. Investments are continually evaluated and made in growth related opportunities, some of which have the risk of long gestation periods. The Company works towards ensuring adequate returns on existing and new investments in infrastructure, construction projects and the services businesses as a guiding principle as part of its Lakshya plan.

Operating Risks of Subsidiaries

L&T's operations span across multiple geographies through a network of domestic and international subsidiaries engaged in engineering, construction, manufacturing, technology and services. The Company manages operating risks of unlisted subsidiaries through central oversight, periodic performance evaluations and ensuring strategic alignment with Group-wide objectives. L&T's senior management is present on the Boards and Committees of the listed subsidiaries, which have adopted suitable policies to mitigate their operational, tactical and strategic risks.

Financial Risks

The process of managing the Company's financial exposures is governed by the Risk Management Framework and Policy approved by the Company's Audit Committee under the guidance of the Board. Financial risks in each business portfolio are collated, measured and managed by the Corporate Treasury.

Calendar year 2024 was marked by significant political transitions, with elections reshaping the global geopolitical landscape. Inflation pressures eased, prompting central banks to pivot towards rate cuts amid slowing growth and rising uncertainty.

In calendar year 2025, the spotlight is firmly on policy decisions from newly elected governments and the potential ripple effects across trade, defence, climate and technology sectors. Global real GDP growth in 2025 could slow to sub-3% levels driven by 'trade wars' and knock-on effects. Policy uncertainty tends to weigh heavily on corporate confidence. This, in turn, could lead to cuts in capital expenditure which could then undermine growth prospects.

In the US, the political shift has seen renewed protectionist trade measures, most notably through announcement of a significant increase in tariffs. The US tariff strategy represents a potential reversal of the post-World War II global economic framework. In the near term, US-China trade flows are expected to be the most impacted. For other trading partners, any prolonged uncertainty could substantially affect trade volumes. If these higher tariffs get implemented, there could be an unintended consequence of stagflation.

The pressure on European NATO members to boost defence autonomy is expected to trigger increased military expenditure, in both the EU and UK. This shift could provide a much needed growth catalyst for Europe, offsetting weakness in traditional sectors like automotive and manufacturing, which have been squeezed by softening demand and rising competition from China.

The Chinese economy continues to face headwinds. While the economy may avoid a sharp slowdown in the near term due to policy support, monetary easing and measures to boost consumption, real GDP growth could slip below 4% in the second half of the year.

GCC economies have displayed resilience despite regional geopolitical tensions. The region remains committed to economic diversification, clean energy and industrialisation strategies. However, if crude oil prices were to consistently trade below USD 55 per barrel, the region could witness significant growth headwinds.

In India, real GDP growth is projected between 6.25-6.50% for FY 2025-26. Government of India aims to balance fiscal discipline – by targeting a 4.4% deficit – while continuing with growth-friendly measures, namely, continued capital

expenditure at 3.1% of GDP and personal income tax cuts to support consumption. CPI inflation is expected to average around 4% for FY 2025-26.

Foreign Exchange and Commodity Price Risks

The businesses of the Company are exposed to fluctuations in foreign exchange rates and commodity prices. Additionally, it has exposures to foreign currency denominated financial assets and liabilities. Net foreign exchange risk on revenues, costs, assets and liabilities are managed through a combination of forward and option contracts wherein the counterparties are regulated banking entities. The financial risks involving commodity prices are managed through a combination of price variation clauses embedded in customer contracts, hedges in financial markets and pass-through price arrangements. In the case of contracts with price variation clauses, the Company may run a basis risk between the actual price of the commodity and the reference indices.

The disclosure of commodity exposures, as required under clause 9(n) of Part C, Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the format specified vide Chapter VI-E of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, is given below:

SR NO	COMMODITY NAME	EXPOSURE IN INR TOWARDS THE PARTICULAR COMMODITY (₹ CRORE)	EXPOSURE IN QUANTITY TERMS TOWARDS THE PARTICULAR COMMODITY (TN)	% OF SUCH EXPOSURE HEDGED THROUGH COMMODITY DERIVATIVES				TOTAL	
				DOMESTIC MARKET		INTERNATIONAL MARKET			
				OTC	EXCHANGE	OTC	EXCHANGE		
1	Aluminium - Buy	3,023.88	1,41,891	-	-	78.74	-	78.74	
2	Aluminium - Sell	(9.62)	(440)	-	-	100.00	-	100.00	
3	Zinc - Buy	72.21	2,939	-	-	100.00	-	100.00	
4	Copper - Buy	3,003.41	37,227	-	-	70.80	-	70.80	
5	Copper - Sell	(83.20)	(1,001)	-	-	100.00	-	100.00	
6	Lead - Buy	70.45	3,265	-	-	100.00	-	100.00	
7	Coking coal - Buy	20.83	12,029	-	-	-	-	-	
8	Iron ore - Buy	18.75	22,721	-	-	86.05	-	86.05	
9	Steel - Buy	21,840.16	32,24,865	-	-	-	-	-	
10	Cement - Buy	4,506.86	68,68,041	-	-	-	-	-	
11	Nickel - Buy	131.40	953	-	-	68.63	-	68.63	
12	Thermal Coal - Buy	2.75	2,673	-	-	-	-	-	
Total exposure		32,597.88	1,03,15,160.80						

Liquidity and Interest Rate Risks

The Company constantly monitors the liquidity levels, economic and capital market conditions and maintains access to sources of liquidity through a combination of approved banking lines, trade finance and capital markets. The Company deploys its surplus funds in short-term investments, in line with the Board-approved Treasury Policy. The Company dynamically manages interest rate risks through a mix of fund-raising, investment products and derivatives across maturity profiles within the Risk Management Framework.

Financial Resources and Capital Allocation

The capital allocation philosophy of the Company is geared to support business initiatives for the profitable growth of the Company, while retaining liquidity to support short-term requirements of the Group. As a policy, the Company maintains cash buffers and has access to adequate banking lines to meet both opportunities and challenges.

In the financial year, the Company supported the capital expenditure required to execute projects awarded in the Projects and Manufacturing businesses and also investments in new areas, in line with the plan. Prospectively, the Company will continue to support the growth of L&T Realty and new businesses like green energy, data centers and semiconductor design.

In line with its stated strategy to monetise non-core assets, the Company concluded the divestment of its roads concessions business L&T IDPL which resulted in release of capital to the tune of ₹ 1,300 crore.

Low gearing levels (Gross Debt to Equity ratio at 0.31x) at the parent entity level and a healthy cash buffer allow enough flexibility to the Company to deal with normal business uncertainties.

The Company continues to see significant volume of large-value contracts in the Middle East, especially from Saudi Arabia, which require large local non-fund-based banking facilities. The Company is confident of tying up the required facilities during the year to address upcoming requirements.

Internal Controls and Safeguards

Corporate Governance and Internal Controls: Ensuring Business Integrity and Sustainability

Corporate governance is fundamental to the Company's ability to achieve sustainable growth and predictable outcomes. A key pillar of corporate governance is a robust internal controls framework, which ensures operational efficiency, safeguards assets, supports reliable financial reporting, and prevents frauds and errors. At the core of this framework is the globally recognised model issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The COSO framework is designed to help companies align their internal controls with the challenges they face due to changing internal and external factors. By adopting this framework, the Company ensures that its internal controls are aligned with its business needs, risk profile, and strategic objectives, enabling it to respond effectively to emerging challenges and maintain consistency in its operations.

Framework and Policies for Internal Controls

The Company's internal control framework is tailored to fit the size, complexity and nature of its business. The Board of Directors and management at all levels play a crucial role in setting the right principles for the organisation through their actions and directives. This leadership is reinforced by the Company's Code of Conduct (CoC), which promotes ethical values and corporate integrity. The CoC serves as a guide for employees, underscoring the importance of honesty and responsibility in business dealings. Furthermore, suppliers must confirm their adherence to a separate Code of Conduct to align with the Company's commitment to sustainable growth and the integration of Environmental, Social and Governance (ESG) principles in business operations.

The Company also maintains a Whistleblower / Vigil Mechanism, allowing employees and business partners to report concerns about unethical or illegal activities, misconduct, or fraud. This system ensures that concerns are raised and addressed without fear of retaliation, promoting a culture of transparency and accountability.

Internal Financial Controls

Internal financial controls (IFC), aligned with the Companies Act, 2013 are integral to the Company's control framework and operate at both entity and process levels. The responsibility for establishing, maintaining, and upgrading these controls lies with the executive management, assisted by internal control teams at both the corporate and business levels.

These teams are tasked with developing and refining processes and standard operating procedures to enhance operational efficiency. Teams share best practices across the organisation and ensure that internal controls are regularly updated in response to changing business conditions and external factors, such as new regulations or emerging risks. Additionally, the Company engages independent professional firms to periodically review the effectiveness of its control systems, with their recommendations being incorporated to strengthen existing practices.

Audit and Review Mechanisms

The effectiveness of internal controls is tested through regular audits conducted by the statutory auditors, the Company's Corporate Audit Services (CAS) department and also through third-party audits. The CAS is responsible for evaluating the design and operating effectiveness of internal controls across core business operations and support functions. The annual audit plan, which is reviewed by the Audit Committee, ensures comprehensive coverage of all areas. Significant audit findings, along with periodic progress on corrective actions, are presented to the Audit Committee on a quarterly basis.

The Company follows a three-line model to ensure that its internal controls remain effective. The first line of defence involves business heads, process owners and support functions who are responsible for the design and operation of internal controls. The second line is the Corporate Internal Control department, which monitors and improves the effectiveness of these controls. The third line is the Corporate Audit Services, which conducts independent internal audits and provides assurance on the effectiveness of the controls.

OVERALL FINANCIAL REVIEW 2024-25

I. L&T CONSOLIDATED

Amidst the challenging global economic environment marred by geopolitical conflicts, the Company has achieved a strong performance in its businesses, spread across diverse sectors and geographies. The Company maintained its focus on maximising shareholder value by efficient execution of its large order book, leveraging technology to improve cost competitiveness and efficiency, reducing working capital along with better funds management, and divesting its non-core assets.

During the year, as part of the strategy to exit non-core businesses, on April 10, 2024, the Company completed the divestment of its entire shareholding in L&T Infrastructure Development Projects Limited, a joint venture primarily engaged in the development and operation of toll roads and a power transmission asset. Further, the Company entered into an Asset Purchase agreement with M/s Infra Bazar Tech Private Limited on June 12, 2024, for the sale of assets of its Machinery Works segment.

In FY 2024-25, the Company has carved out a separate business vertical for 'Renewables' out of the Power Transmission & Distribution business amid energy transition led growth, within its Infrastructure segment. Further, in February 2025 the Company acquired the remaining 26% stake in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF) from the Nuclear Power Corporation of India Limited (NPCIL), thereby making LTSSHF a wholly owned subsidiary.

L&T Energy Green Tech Limited (LTEGL), a wholly owned subsidiary of the Company, has been granted incentives for setting up of a 90 KTPA Green Hydrogen capacity in India. This incentive will be distributed over a period of 3 years. Further, LTEGL has also been allocated 500 acres of land at Kandla port, Gujarat for setting up of a plant for Green Hydrogen and its derivatives under a 30-year lease by the Deendayal Airport Authority Kandla.

During the year, L&T Semiconductor Technologies Limited (LTSCT) acquired 100% stake in SiliConch Systems, a Bengaluru-based fabless semiconductor design start-up focused on power semiconductors with a portfolio of more than 30 granted patents. This acquisition will aid the overall engineering skill sets and design expertise thereby strengthening the Group's presence in fabless semiconductor business.

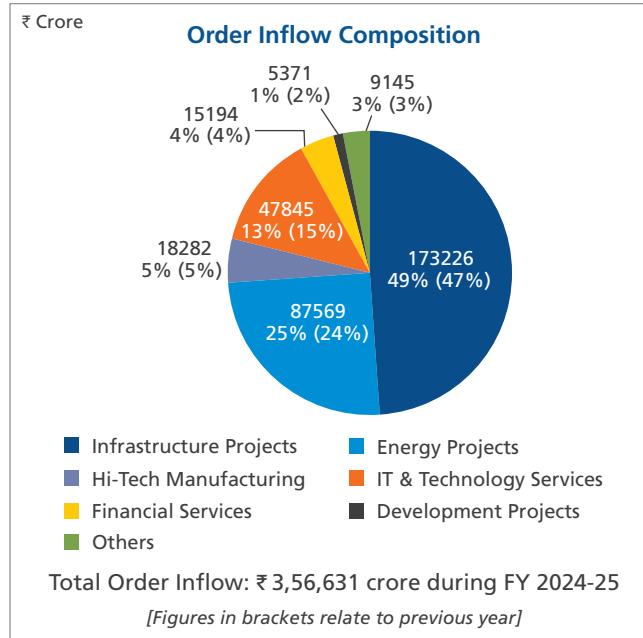
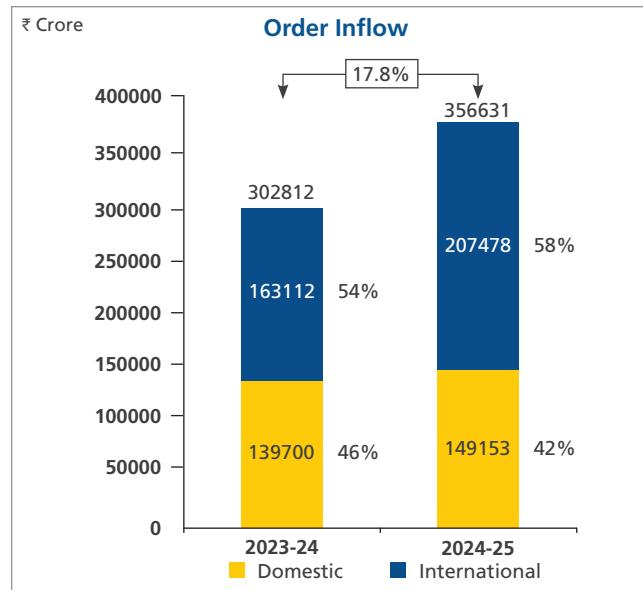
Further, the Company also entered into a strategic partnership with E2E Networks Limited to accelerate cloud and AI innovation for Indian enterprises. As part of the overall arrangement, the Company also acquired a 15% stake in E2E Networks Limited through the primary market route. This partnership is a significant step towards adoption of GenAI solutions in India to foster a fundamental shift in the way Accelerated Computing on Cloud is used by Indian organisations. The collaboration aims to accelerate digital transformation for a diverse range of industries, fostering a technology-driven, sustainable future for India.

The financial services business of the Group, L&T Finance Limited (LTF), during the year, also entered into an agreement with Paul Merchants Finance Pvt. Ltd. (PMFL) for acquiring its gold loan business segment. This acquisition marks the entry of LTF into the gold loan business. Also, L&T Technology Services Limited (LTTS) acquired Silicon Valley-based Intelliswift, to deepen its offerings across Software Product Development, Platform Engineering, Digital Integration, Data and AI.

Two coveted global credit rating agencies – S&P and Fitch – have assigned 'BBB+' rating to Larsen & Toubro. L&T's 'BBB+' international rating with a stable outlook by both these rating agencies is two notches above India's sovereign ratings and this underscores L&T's exceptional credit quality and robust financial health.

As at March 31, 2025, the L&T Group comprised 87 subsidiaries, 6 associate companies, 11 joint ventures, and 36 jointly held operations. Out of the total 140 entities, 45 entities belong to the listed subsidiaries, and 5 are associated with Development Projects. The rest of the entities in the Group are mostly strategic extensions of the traditional businesses, viz. EPC Contracts and Hi-Tech Manufacturing, to enable access to new geographies, technology and nuanced business segments.

Order Inflow and Order Book

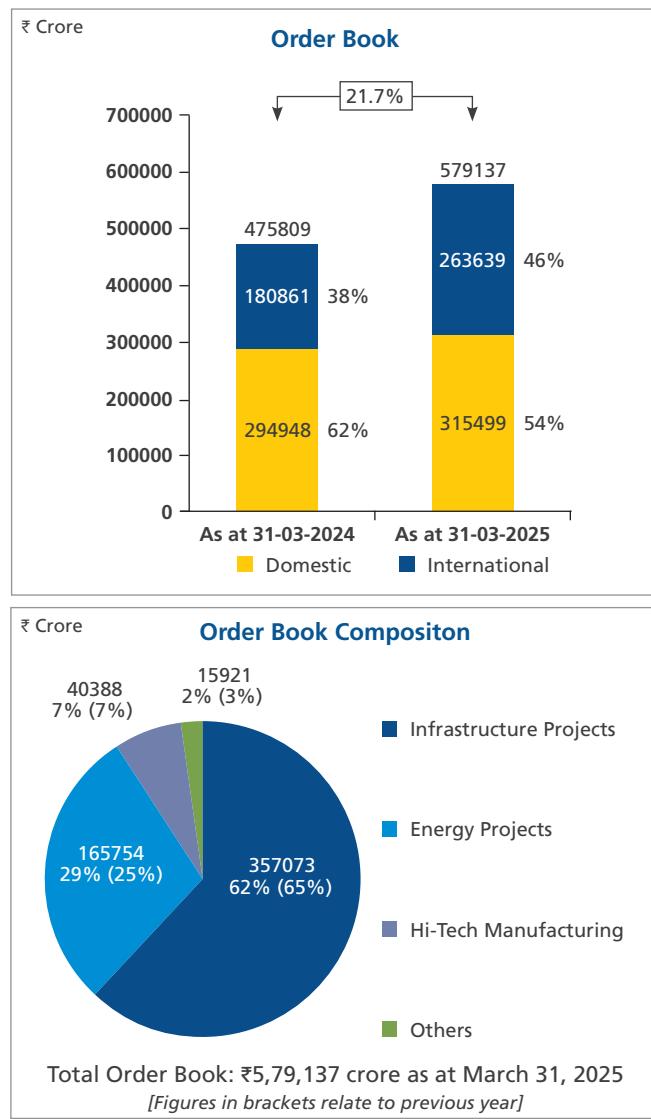


L&T Group achieved order inflows of ₹ 3,56,631 crore during FY 2024-25, registering a growth of 17.8% over the previous year. Growth was largely driven by the strong investment momentum in the Middle East region and policy impetus by Government of India towards capex push. The buoyancy in Middle East businesses led to an increase in the share of international order inflow to 58% from 54% in the previous year.

The year witnessed the booking of some noteworthy orders across businesses. Buildings & Factories business received

orders for commercial buildings and an international airport, signalling and rolling stock in domestic metro in Transportation Infrastructure, few orders were received in the hydel and tunnel vertical of Heavy Civil Infrastructure business, multiple renewable energy and transmission projects from the Middle East under the Power Transmission & Distribution and Renewables businesses, an international order for desalination plant in Water & Effluent Treatment, couple of orders in ferrous metal space in Minerals & Metals, an ultra-mega order in the Offshore vertical of the Hydrocarbon business, domestic BTG orders in CarbonLite Solutions business and a major repeat order from Ministry of Defence in the Precision Engineering & Systems business.

Infrastructure segment continues to remain the largest segment in the Company's business portfolio with 49% of overall order inflow share, as compared to 47% in the previous year.

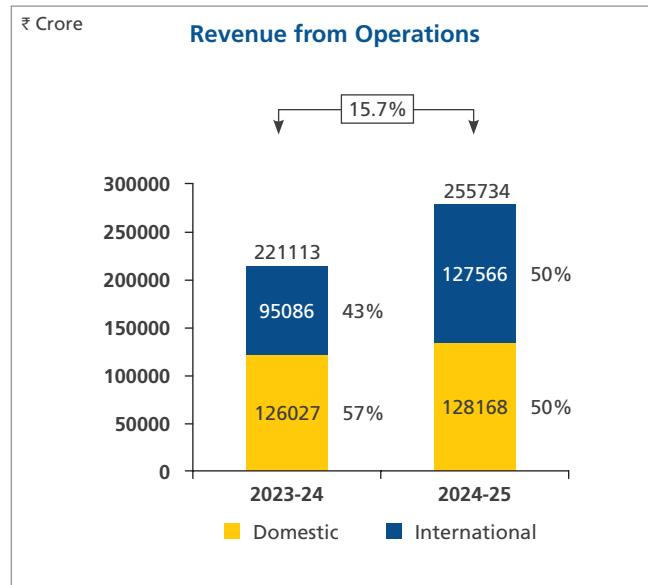


As at March 31, 2025, the order book continues to remain at a record level of ₹ 5,79,137 crore, thereby providing a multi-year revenue visibility for the Group. The infrastructure segment continues to dominate with a share of 62% of the consolidated order book.

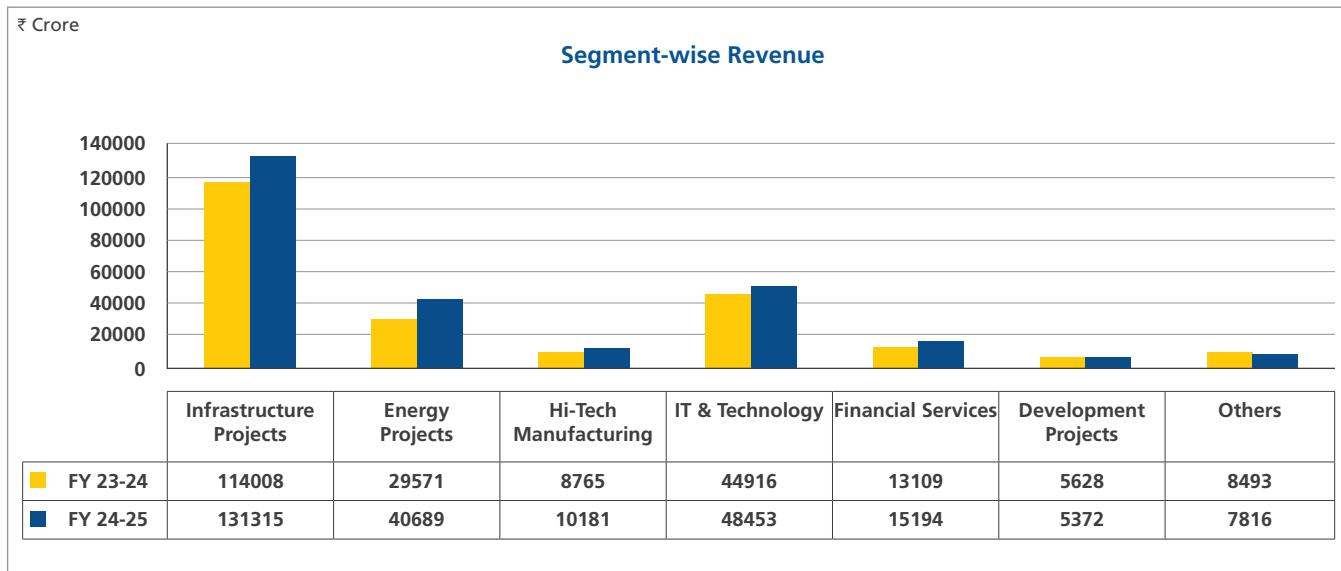
The order book registered a growth of 21.7% on a y-o-y basis, mainly with the receipt of some high-value orders during the year. Around 72% of the total order book comprises orders received from India's central and state governments (including local authorities) and state-owned enterprises (both domestic and international). The private sector share has increased to 28% of the total order book as on March 2025, as against 23% as on March 2024. Of the domestic order book, 25% of the orders are funded by multilateral agencies.

The share of the international order book increased from 38% to 46% on account of the intake of higher international orders during the year.

Consolidated Revenue from Operations

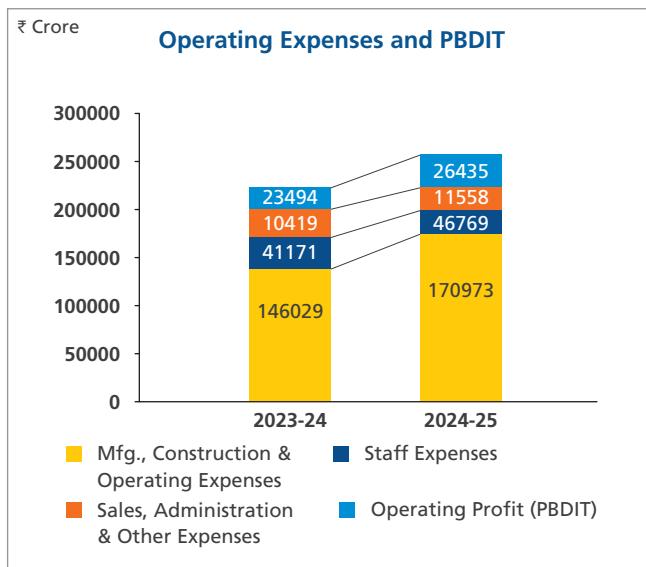


L&T Group recorded revenue of ₹ 2,55,734 crore during FY 2024-25, registering a growth of 15.7%. The growth was mainly achieved with the pick-up of execution momentum in project and manufacturing businesses. The composition of international revenue at the group level is at 50% in FY 2024-25 compared to 43% in the previous year.



During the year, growth was majorly visible in Infrastructure segment and Energy segment.

Operating Expenses and PBDIT



Manufacturing, Construction and Operating (MCO) expenses for FY 2024-25 at ₹ 1,70,973 crore increased by 17.1% over the previous year. These expenses mainly comprise the cost of construction materials, raw materials and components, subcontracting expenses, and interest costs in the Financial Services business. This represents 66.9% of revenue as compared to 66.0% in the previous year, mainly due to higher share of revenue from the Project and Manufacturing businesses and changes in job mix.

Staff expenses for the year FY 2024-25 at ₹ 46,769 crore increased by 13.6% over the previous year, reflecting a combination of manpower ramp-up and salary revisions. As a percentage of revenue, it however decreased by ~30 basis points (bps) during FY 2024-25, consequent upon higher revenue. The Group continues to focus on productivity improvements, digitalisation and manpower optimisation across its businesses.

Sales and administration expenses at ₹ 11,558 crore increased by 10.9% over the previous year. This represents 4.5% of revenue, which is similar to the previous year.

The Group's operating profit at ₹ 26,435 crore for FY 2024-25 registered a growth of 12.5% y-o-y, largely led by higher business volumes. The EBITDA margin for the year, however, declined by ~30 bps, and is at 10.3%.

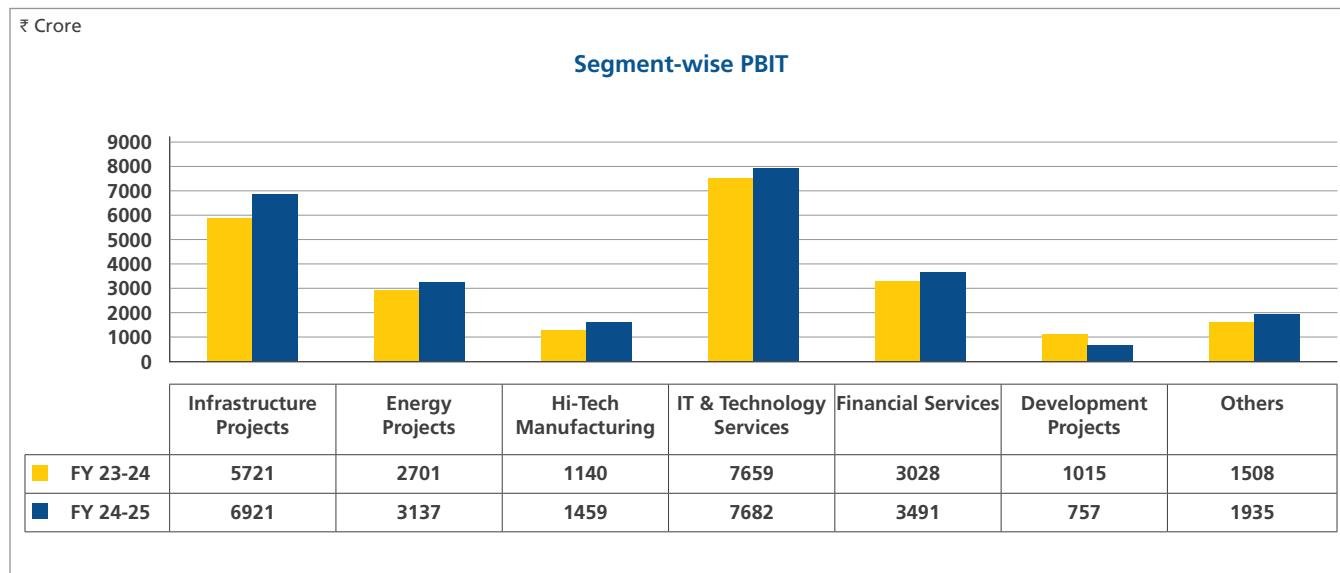
The impact of additional execution costs incurred in the Infrastructure and the Energy segment as well as higher provisions on contract assets and customer receivables impacted the Company's overall margin. At the same time, cost savings in a few projects of the Infrastructure segment and favourable claim settlements, partially mitigated the decline in margin.

Depreciation and Amortisation Charge

Depreciation and amortisation charges for FY 2024-25 increased to ₹ 4,121 crore from ₹ 3,682 crore in the previous year, registering an increase of 11.9%, mainly reflective of higher capex spending in recent years.

Profit Before Interest and Tax

Segment-wise composition of PBIT for FY 2024-25 is represented below:



The segment-wise PBIT registered improvement over the previous year across all businesses except Development Projects, where a higher gain on the sale of commercial property of Hyderabad Metro was booked in the previous year.

Other Income

This mainly consists of interest, dividend and gains from treasury operations. Other income at ₹ 4,125 crore has remained at a similar level to the previous year.

a subsidiary of L&T IDPL and reversal of impairment of investment in L&T IDPL.

Finance Cost

The interest expenses for FY 2024-25 at ₹ 3,334 crore were lower by 6.0% over ₹ 3,546 crore for the previous year. The lower average borrowing at a group level and improved borrowing rate aided in reduction of interest expense. The average interest cost for FY 2024-25 was lower by 30 bps as compared to the previous year.

Consolidated Profit after Tax and EPS

Consolidated Profit after Tax (PAT) at ₹ 15,037 crore for FY 2024-25 increased by 15.1% over the previous year at ₹ 13,059 crore. The increase is mainly attributable to improved activity levels.

Consolidated Basic Earnings per Share (EPS) for FY 2024-25 at ₹ 109.36 improved over the previous year at ₹ 93.96.

Tax Expense

Income Tax charge for FY 2024-25 was higher at ₹ 5,891 crore by 19.1% compared to ₹ 4,947 crore in the previous year on higher taxable income.

Return on Consolidated Net Worth

The Consolidated Net Worth, as on March 31, 2025, at ₹ 97,656 crore, reflects a net increase of ₹ 11,296 crore, as compared to the position as on March 31, 2024. The Return on Net Worth (RONW) for FY 2024-25 was higher at 16.3%, compared to 14.9% in the previous year, mainly on account of higher profitability.

Exceptional Items

Exceptional items during the year mainly comprise of reversal of impairment of funded exposure in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF). The previous year mainly included gain on the divestment of stake in L&T Transportation Infrastructure Limited,

Liquidity and Gearing

Cash flow from operations (including change in loans and advances towards financing activities) for FY 2024-25 decreased to ₹ 9,161 crore as compared to ₹ 18,266 crore in the previous year, mainly due to higher retail loan

book in Financial Services business. During the year, borrowings increased by ₹ 15,203 crore to sustain higher level of operations mainly in Financial Services business and additional funds were generated mainly from treasury and dividend income.

Funds were mainly utilised for surplus investments ₹ 13,711 crore, capital expenditure of ₹ 3,541 crore, and payment of dividend of ₹ 3,850 crore. Further, funds were utilised for net interest payment of ₹ 3,609 crore and investments in subsidiary, associates and joint ventures ₹ 494 crore during FY 2024-25.

Consequently, there was a net increase of ₹ 200 crore in the cash balances as of March 31, 2025, compared to the beginning of the financial year.

Consolidated Fund Flow Statement		₹ crore
PARTICULARS	FY 2023-24	FY 2024-25
Operating Activities	18,266	9,161
Additional Borrowings/(Repayment of Borrowings)	(4,513)	15,203
Treasury and dividend income	2,634	2,228
ESOP Proceeds (Net)	10	9
Sources of Funds	16,397	26,601
Capital expenditure (Net)	4,210	3,541
Purchase/(Sales) of Investments	(2,739)	13,711
Net investment/(Divestment)	(1,000)	494
Dividend paid	4,217	3,850
Interest paid	3,605	3,609
Payment to minority interest (net)	808	1,196
Buy-back of equity shares (Incl. tax and expenses on buy-back)	12,280	-
Increase/(Decrease) in cash balance	(4,984)	200
Utilisation of Funds	16,397	26,601

The total Group borrowings as at March 31, 2025, was higher at ₹ 1,29,559 crore compared to ₹ 1,14,040 crore as at March 31, 2024. The major increase is in the debt of the

Financial Services business, to finance its growth momentum. At a group level, the gross debt-to-equity ratio marginally increased to 1.12:1 as at March 31, 2025, from 1.11:1 as at March 31, 2024. However, the net debt-to-equity ratio decreased to 0.60:1 as at March 31, 2025, from 0.64:1 as at March 31, 2024.

Details of significant changes in key financial ratios along with explanation:

In compliance with the requirement of listing regulations, the key financial ratios of the Group have been provided hereunder along with the explanation only for the significant changes, i.e. change of 25% or more as compared to the previous financial year:

SR. NO	PARTICULARS	FY 2023-24	FY 2024-25	% GROWTH
1	Gross Debt Equity Ratio	1.11	1.12	-1.0%
2	PBDIT as % of net revenue	10.6%	10.3%	-2.7%
3	Net Working Capital % of Sales (Excluding Financial Services & Corporate)	12.0%	11.0%	7.9%
4	Interest Coverage ratio (Excludes Financial Services and Finance Lease Activity)	5.79	6.75	16.5%

II. L&T STANDALONE

L&T's standalone financials reflect the performance of Infrastructure Projects, Energy Projects, Hi-Tech Manufacturing and Others. The Others segment comprises Realty, Smart Infrastructure & Communication, Construction & Mining Machinery, Rubber Processing Machinery, E-commerce / Digital Platforms and Data Centers.

Brief Summary of Performance at Standalone Level:

PARAMETERS (IN ₹ CRORE)	FY 2023-24	FY 2024-25	% GROWTH Y-O-Y
Order Inflow	1,71,663	2,39,336	39%
Share of International Order Inflow	35%	50%	
Revenue	1,26,233	1,42,509	13%
Share of International Revenue	21%	29%	
Order Book	3,71,382	4,70,444	27%
Share of International Order Book	23%	35%	
PBDIT	9,729	11,588	19%
PAT	9,331	10,871	16%
Net Worth	64,516	71,896	11%
RONW (%)	13.7%	15.9%	
EPS (in Rs.)	67.14	79.06	

Liquidity and Gearing

Business operations generated cash flows of ₹ 12,724 crore during the year, compared to ₹ 8,297 crore in the previous year. The increase is attributable to improved volumes and better working capital management. The proceeds from treasury income of ₹ 1,280 crore, and dividend income from S&A companies at ₹ 2,958 crore have been utilised towards repayment of borrowings (incl. repayment of lease liability) ₹ 655 crore, purchase of surplus investments ₹ 7,158 crore and net investment in S&A companies at ₹ 1,391 crore. Further, capex payments of ₹ 2,040 crore, dividend payments of ₹ 3,850 crore, and interest payments of ₹ 2,229 crore was also made during the year.

There was a net decrease of ₹ 353 crore in the cash balances as at March 31, 2025, compared to the beginning of the year.

Fund Flow Statement		₹ crore
PARTICULARS	FY 2023-24	FY 2024-25
Operating Activities	8,297	12,724
Treasury and dividend income	4,690	4,237
ESOP Proceeds	10	9
(Increase)/decrease in cash balance	(134)	353
Sources of Funds	12,863	17,323
Capital expenditure (Net)	2,826	2,040
Repayment of Borrowings / (Borrowings)	(4,234)	655
Purchase / (Sale) of Other Investments	(4,645)	7,158
Net Investment	151	1,391
Dividend paid	4,217	3,850
Interest paid	2,268	2,229
Buy-back of shares (Incl. tax and expenses on buy-back)	12,280	-
Utilisation of Funds	12,863	17,323

Total borrowings as at March 31, 2025, decreased to ₹ 21,935 crore, compared to ₹ 22,540 crore in the previous year. The loan portfolio of the Company comprises a mix of Rupee and suitably hedged foreign currency loans. The gross debt-to-equity ratio decreased to 0.31:1 as at March 31, 2025, from 0.35:1 as at March 31, 2024. The Company has become debt-free after considering cash and cash equivalents at the end of the year.

INFRASTRUCTURE PROJECTS SEGMENT



Mahatma Gandhi Memorial College Hospital, Jamshedpur, Jharkhand

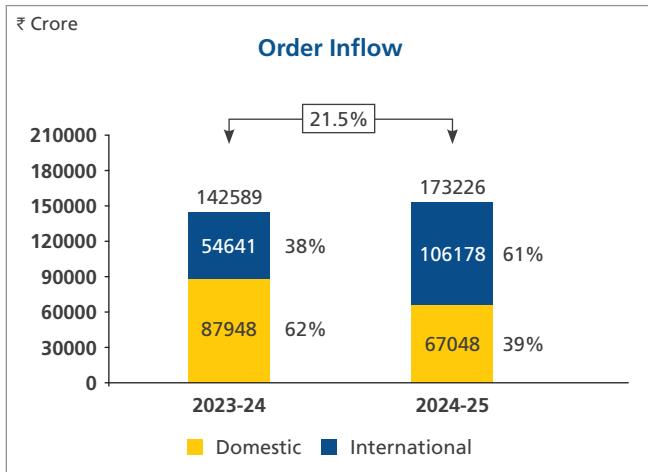
The Infrastructure Projects segment comprises the engineering, procurement and construction (EPC) of:

- a) Buildings & Factories
- b) Transportation Infrastructure
- c) Heavy Civil Infrastructure
- d) Power Transmission & Distribution
- e) Renewables
- f) Water & Effluent Treatment
- g) Minerals & Metals

To capitalise on growth opportunities in the clean energy space, the Renewables business vertical was carved out from the Power Transmission & Distribution business within the Infrastructure Projects Segment.

The Renewables business focuses on tapping the opportunities that arise as a result of the global shift towards clean energy and the need for decarbonised electricity to combat climate change.

Financial performance of the segment



The Infrastructure segment secured orders worth ₹1,73,226 crore in FY 2024-25, higher by 21.5% over the previous year, with the receipt of multiple orders across various sub-segments. During the current year, the Buildings & Factories business registered growth buoyed by the receipt of an international order for airport and a data center in a CIS (Commonwealth of Independent States) country. Power Transmission & Distribution business and Renewables business also benefitted from the receipt of multiple international orders for renewable energy projects as well as transmission lines and substation orders. Similarly, Minerals & Metals business registered growth over the previous year with receipt of a large value international order.



State Cancer Institute, Guwahati, Assam

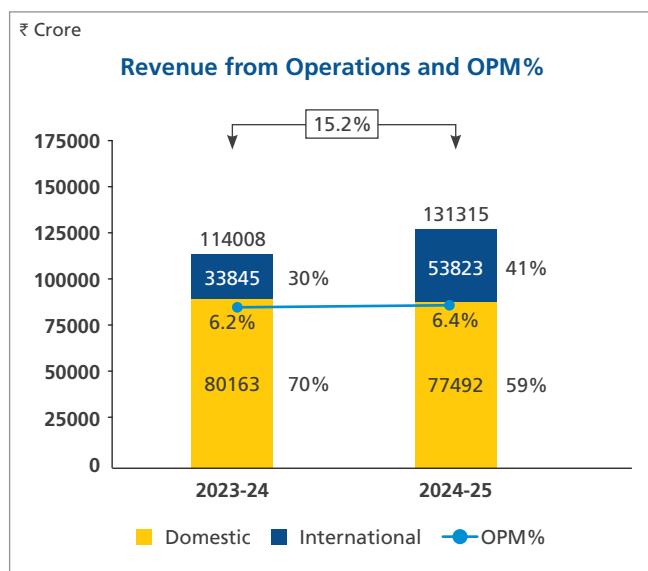
The Transportation Infrastructure and Heavy Civil Infrastructure businesses registered a decline in their growth on deferment of targeted prospects during the year. Again, Water & Effluent Treatment business was also impacted by the central and various state elections leading to delay in tendering of orders.

The share of international orders for the infrastructure segment increased to 61% from 38% in the previous year. The share of the Middle East in overall international order inflow for the segment however reduced to 69% compared to 93% in the previous year due to receipt of orders in a CIS country.

The Infrastructure segment registered revenue of ₹ 1,31,315 crore for FY 2024-25 - a growth of 15.2% over the previous year. The growth was mainly driven by the ramp-up of execution across multiple project sites. Revenue from international operations constituted 41% of the total revenue for FY 2024-25 compared to 30% in the previous year.

The segment's operating margin for FY 2024-25 marginally improved to 6.4% from 6.2% in the previous year.

The funds employed by the segment at ₹ 25,003 crore as on March 31, 2025, registers marginal increase of 4.0% vis-à-vis March 31, 2024, mainly on account of increase in working capital level.



Buildings & Factories

Overview

The Buildings & Factories business of the Company is at the forefront of building urban infrastructure and offers end-to-end design-and-build turnkey solutions that seamlessly traverse the entire project life-cycle, from concept to commissioning. Its expertise extends across sectors such as airports, hospitals, stadiums, retail establishments, educational campuses, IT parks, office towers, data centers, semiconductor fabrication (fab) and Outsourced Semiconductor Assembly and Test (OSAT) facilities, high-rise structures, industrial warehouses, automobile plants, test tracks, and other industrial structures.



Adora De Goa, a luxury residential project in Dabolim, Goa

Driving the success of the business are dedicated engineering design centres, competency cells and innovative formwork systems. The commitment to innovation has been continuous, improved by mechanised project execution, a robust network of seasoned consultants and dependable vendors, and a meticulously digitalised project control framework. A talented workforce, adept at navigating complex challenges, has contributed significantly to the realisation of iconic structures both in India and overseas.

The business is organised into the following Strategic Business Groups (SBGs):

Health, Public Spaces & Airports SBG:

This SBG consists of the following three businesses:

The **Health business** is committed to transforming healthcare infrastructure through its expertise in planning, design and execution of world-class medical facilities. With a strong portfolio of projects across India, the business plays a pivotal role in building the country's healthcare ecosystem.

The **Public Space business** undertakes design and execution of iconic projects like statues, museums, stadiums, metro stations, convention centres, malls, integrated multimodal developments, educational institutes, right from concept to commissioning on an EPC basis.

The **Airports business** specialises in designing and constructing airport terminal buildings, along with associated service structures. The business also provides integrated airport system solutions, including baggage-handling systems, passenger-flow monitoring, passenger boarding bridges,

visual docking guidance systems, ATC towers, cargo facilities, aircraft hangars, and other essential facilities.

Residential, Commercial Buildings & Factories SBG:

This SBG consists of the following three businesses:

The **Residential business** is a prime EPC solutions provider for elite, affordable and mass-housing projects. The business has expertise in executing high-rise towers and developing mass-dwelling units. This business has pioneered the use of precast technology for fast and quality construction.

The **Commercial Buildings business** specialises in end-to-end services, from conceptualisation to commissioning, for establishing data centers, semiconductor fab and OSAT facilities. It also provides turnkey design-and-build solutions for IT office spaces. The business also embraces innovative construction technologies, including prefabricated prefinished volumetric construction (PPVC), modular construction and 3D printing.

The **Factories business** offers comprehensive EPC solutions with single-point accountability, catering to the needs of sectors such as Automobiles - plants and test tracks, Electronics, Solar PV manufacturing, Glass, Paints, Life Science Products, Warehouses and FMCG products.

Business Environment

Health

The demand for specialised hospitals and advanced medical facilities continues to rise ensuring better healthcare



CIDCO Kharkopar, Navi Mumbai, Maharashtra

accessibility across the country. The states of Bihar, Odisha, Chhattisgarh and Jharkhand are emerging as key investment hubs for healthcare expansion. In the north-eastern states, healthcare investments are targeted to increase the hospital bed-to-population ratio. Both public and private investments are driving the growth of cutting-edge medical facilities.

Public Spaces

The public spaces business unit has demonstrated robust growth across multiple sectors, including stadiums, MUD (Mixed Use Development), hotels and malls. Opportunities in sports, tourism infrastructure and the re-construction of government office spaces is expected to drive growth in the near to medium-term.

Airports

The airport sector is witnessing strong growth, with passenger traffic increasing at a 13% y-o-y rate, driving the demand for infrastructure development. Rising demand for air travel from Tier II and Tier III cities is creating opportunities for the development of greenfield airports and the expansion and modernisation of existing facilities. The business is also exploring opportunities in the GCC (Gulf Cooperation Council) countries and the broader APAC (Asia-Pacific) region.

Residential

The real estate sector witnessed strong growth in FY 2024-25, with residential sales reaching new highs, driven by rising households' confidence and stable interest

rates. Demand surged in the upper middle class and luxury segments, while new launches and sales in the top seven cities grew by 25% y-o-y and 31% y-o-y, respectively. Rising urbanisation and demand for mega townships, along with policy support in the form of *Pradhan Mantri Awas Yojana* (PMAY) and floor space index (FSI) relaxations, continue to aid market expansion.

Commercial Buildings

Urbanisation, business expansion and investments in the technology sector remain the key drivers of demand for the Commercial Buildings segment.

The semiconductor industry is leveraging the rise of R&D centres and global capability centres (GCCs) to expand facilities in the country. The industry has thrown up opportunities to integrate smart building technology and energy-efficient solutions to develop sustainable semiconductor and cleanroom facilities. Government incentives and investments in semiconductor manufacturing are driving growth in the Indian market. The data center business is also gaining traction, in India and the broader APAC region.

Factories

India's factory construction business is witnessing sustained growth, driven by rising private sector investments and government initiatives like the Production-Linked Incentive (PLI) scheme, Make in India, Faster Adoption and Manufacturing of Electric Vehicles (FAME), Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA)



Multi Tenanted Building (MTB4) for Information Technology Park Ltd., Bengaluru, Karnataka



L&T Knowledge City, Vadodara, Gujarat - a large-scale, self-contained engineering campus developed by L&T

scheme, Electronic Manufacturing Cluster (EMC) scheme and the Automotive Mission Plan 2026.

International

The business has expanded its presence in the Middle East in general, capitalising on the economic upswing in Oman in particular. Selective opportunities are being pursued in the rest of the GCC region while growing business in newer geographies in the broader APAC region.

Major Achievements

Major Orders Won:

- Semiconductor fab plant in Dholera, Gujarat
- OSAT facility at Morigaon, Assam
- Automobile manufacturing plant at Bidadi, Karnataka
- Electronics manufacturing plant at Kancheepuram, Tamil Nadu
- Cancer hospitals in Navi Mumbai, Vizag and Mullanpur
- Institute of Neuroscience in Kolkata, West Bengal
- AIG super specialty hospital at Hyderabad, Telangana
- Residential developments for a leading real estate group across multiple locations in India
- International data center in the CIS region

Key Projects Commissioned:

- Data Center in Kancheepuram, Tamil Nadu
- National Cricket Academy for the Board of Control for Cricket in India (BCCI) in Bangalore, Karnataka

- Hotel for a prestigious client in Colombo, Sri Lanka
- Teaching Hospital in Flacq, Mauritius
- Government Medical College and Hospital in Jamshedpur, Jharkhand
- AIIMS Hospital in Gorakhpur, Uttar Pradesh
- Residential Township for a large conglomerate in Nagothane, Maharashtra

Competitive Positioning

The business continues to power ahead in the domestic market as it secures high-value orders with stringent timelines. The business maintains a strong competitive edge through timely project execution, design-led construction and sustainability-driven solutions. By leveraging advanced construction technologies such as prefab and modular construction, 3D printing technology, along with a focus on high-growth segments like cleanrooms, data center, semiconductor fab and OSAT facilities, and zero-carbon-rated buildings, the B&F business continues to reinforce its market leadership.

Significant Initiatives

The business continues to make significant strides in sustainability, with several pioneering initiatives. Strengthening its commitment to the utilisation of clean energy during the construction phase, several projects in Maharashtra have partnered with the Maharashtra Electricity Board to operate entirely on renewable energy sources. These initiatives not only contribute to a substantial reduction in carbon emissions, but also set a benchmark for sustainable construction practices.



Data Center at Tashkent, Uzbekistan

In addition to the adoption of renewable energy at project sites, the business has agreements in place to procure clean power. These steps further reinforce the organisation's commitment to environmental responsibility and leadership in integrating sustainable energy solutions.

Beyond clean energy initiatives, the business has implemented innovative carbon reduction measures across various projects by transitioning from high-speed diesel-based equipment to electrically driven operations. This transformation includes:

- Variable Frequency Drive (VFD)-driven Concrete Pumps
- Electric Air Compressors
- Electric Skid Steer Loaders
- Electric Wheel Loaders
- Autonomous Electric Burrows

These advancements mark a significant shift towards the adoption of low-emission construction technologies, enhancing energy efficiency, reducing environmental impact and setting new industry standards for sustainable development. By integrating renewable energy solutions and electrification of construction equipment, the business is driving meaningful progress towards its carbon neutrality goals.

Risks and Concerns

The business faces several challenges that require close monitoring. A stable political scenario, vibrant business conditions and balanced fiscal policies are factors that strengthen investment sentiment and the project funding environment.

Private investments in real estate, energy, data centers and semiconductors have gained traction over the past couple of years. However, the long-term growth prospects of these sectors would depend on the continuation of stable macroeconomic conditions and a supportive policy framework. Any slowdown in infrastructure investments could impact growth prospects in the near to medium-term.

While the GCC and the broader APAC regions continue to offer opportunities in various infrastructure segments, regional economic stability and regulatory changes must be carefully navigated.

In an increasingly competitive environment, the need for continuous innovation and differentiation is paramount. Additionally, achieving premium pricing in a highly competitive market remains a challenge. Proactive cost management, resilient supply chain strategies, market adaptability, mobilising, training and retaining the workforce will be crucial in mitigating risks while sustaining growth.

Outlook

Health

India's healthcare sector is projected to grow at a CAGR of 8% from 2024 to 2032, driven by urbanisation and increased government spending (2.5% of GDP) on the sector. However, Tier II and Tier III cities, along with rural areas, still face a healthcare service shortage. To bridge this gap, the government plans to add 75,000 medical seats by FY 2030-31 and establish 200 daycare cancer centres in district hospitals. The Ayushman Bharat scheme, which now covers ~38% of



Bhogapuram International Airport, Visakhapatnam, Andhra Pradesh

the population, has led to enhanced accessibility for medical services. With growing demand for specialised hospitals, India's healthcare industry is set for a major transformation.

Public Spaces

Central Government initiatives such as the Target Olympic Podium Scheme (TOPS) and the improved scenario in the hospitality industry have allowed for increased traction in the Public Spaces business. Further, opportunities that may arise from the Central Vista Redevelopment plans, Mixed-Use Development schemes and sports development projects, signal a healthy outlook for this business.

Airports

Supportive government policies such as UDAN (*Ude Desh ka Aam Nagrik*) and the Air Cargo Policy are driving investments in airport projects across the country. The business also envisages an uptick in investments from the Central Government and private airport operators. Furthermore, the business is also looking at opportunities in the GCC countries and the broader APAC region.

Residential

The Residential business has seen a consistent y-o-y increase in project launches and property sales across the top seven cities in the country. At the same time, average inventory had reached an all-time low of 15 months at the end of 2023. Affordability, stable interest rates and the wealth effect are likely to contribute to the growth of this business in the near to medium-term.

Commercial Buildings

The Commercial Buildings business is well-positioned to capitalise on the growing demand for the niche market segments of semiconductor fab and OSAT facilities and data center construction in India and abroad, by leveraging its experience, expertise and strategic partnerships. The business continues to focus and serve its clients in the commercial and retail segments as well.

Factories

India's manufacturing sector is set for significant growth, driven by government initiatives like the PLI programme and state-specific industrial policies. Government initiatives are also driving investments in solar, EVs, electronics, batteries, automobiles and FMCG sectors, positioning India as a global manufacturing hub.

International

The business is selectively pursuing opportunities in Saudi Arabia, Oman and Sri Lanka. In Oman, the focus remains on hospitality and healthcare projects. The business has strengthened its footprint by securing the first AI-enabled and sustainable data center in the CIS region.



Ganga Expressway Project, Uttar Pradesh

Transportation Infrastructure

Overview

The Transportation Infrastructure business offers comprehensive turnkey design-and-build EPC solutions with single-point responsibility for delivering projects such as roads, runways, bridges, elevated corridors, railways, urban transit infrastructure and airports.

The business is divided into two Strategic Business Groups (SBGs), namely - Roads, Bridges & Formations (RBF) Business Group and Railways Business Group (RBG).

The **RBF Business Group** provides EPC design-and-build construction services. The RBF business group is further subdivided into the Roads & Runways (R&R) business unit, the Bridges business unit and the Formations & Structure (F&S) business unit.

The R&R business unit operates in the (a) road infrastructure sector viz. associated structures, cross-drainage, toll plaza, wayside amenities, etc.; (b) airport sector viz. construction of complete airside infrastructure - including runways, taxiways, aprons, airfield ground lighting, fuel hydrant systems - for both domestic and international airports (both greenfield and brownfield); and (c) design and construction solutions for elevated corridors in urban areas.

The Bridges business unit undertakes the construction of bridges by employing innovative and advanced bridge

construction techniques like incremental launching, segmental construction, full span, cable stay, precast and pre-stressed concrete as well as steel and concrete composite construction.

The F&S business unit provides construction services for railway civil works in dedicated freight corridors (DFC), high-speed rail (HSR) and urban railway network projects.

The **RBG Business Group** is further sub divided into the Mainline business unit (MLBU) and Metro business unit (MTBU). MLBU addresses EPC construction works in the domains of civil and trackwork, electrification, system integration including signalling and telecommunication for all mainline railway projects, dedicated freight corridors (DFCs) and rail links to ports, mining and power plant facilities. MTBU carries out EPC construction works that require ballastless trackwork, electrification and systems integration for mass rapid transit systems (MRTS), regional rapid transit systems (RRTS), semi-HSR and HSR projects in India and abroad.

To focus on the opportunities emerging in the ASEAN (Association of South East Asian Nations) region and the Middle East, a separate International Business Unit (IBU) has been formed. The scope of the IBU includes mainline works and integrated systems works for mass transit and HSR projects.

The business has Engineering Design Centres located in Mumbai, Faridabad and Chennai, a Competency Development Centre at Kancheepuram and a Workmen Training Centre at Ahmedabad.



Precast Slab Track for Delhi–Meerut RRTS – India's first semi-high-speed rail

Business Environment

Roads, Bridges & Formations

In FY 2024-25, capital expenditure of the National Highway Authority of India (NHAI) reached an all-time high of ₹ 2.5 lakh crore, reporting a strong growth of 21% over the previous year. India continued to witness significant momentum in road construction, driven by continued investments under the *Bharatmala Pariyojana* project and the National Infrastructure Pipeline (NIP). The government plans to further intensify efforts with an emphasis on green infrastructure, expanding multimodal logistics corridors and integrating smart technologies into highway management. New initiatives such as the *PM Gati Shakti* master plan will further streamline project execution, while the focus on public-private partnerships (PPP) is expected to unlock additional investments.

Railway Business Group

The railway sector has experienced significant growth over the past few years, driven by increased investments and financial backing from the government. The National Rail Plan 2030 offers numerous opportunities across various railway domains.

The Union Budget for FY 2025-26 included a record-breaking capital allocation of ₹ 2.65 lakh crore for the railways. The key areas targeted for investment are rolling stock, multi-tracking works, electrification, passenger amenities, high-speed rail and DFCs. The government is also exploring

private investments into rolling stock manufacturing and operation and maintenance services.

The government's emphasis on modernising and expanding railway infrastructure is evident through several key initiatives. These include the introduction of HSR and semi-HSR corridors, RRTS, suburban rail systems, first and last-mile connectivity projects, station modernisation, enhanced implementation of the Automatic Train Protection System 'KAVACH,' and the deployment of LTE-R (Long Term Evolution for Railways).

Following directives from the Railway Board, zonal railways have gradually adopted the EPC delivery model. Building on the successful commissioning of the DFC, some railway zones are in the process of transitioning to large-scale EPC packages instead of smaller contracts.

The acceptance of advanced transport systems, such as RRTS and HSR, continues to grow, as demonstrated by the recent commissioning of the Delhi-Meerut RRTS corridor. Furthermore, there is a significant pipeline of projects across both the mainline and metro segments that are expected to be bid out in the near term.

Major Achievements

Major Orders Won:

- Navi Mumbai Airport Influence Notified Area (NAINA) development from City and Industrial Development Corporation (CIDCO), Maharashtra. The project will have 4 approach roads of 13.28 km.



Inaugural landing of commercial aircraft at Navi Mumbai International Airport

- 6-lane Chennai Peripheral Ring Road - Pkg 3 (11 km) from Tamil Nadu Road Infrastructure Development Corporation (TNRIDC), Tamil Nadu.
- Civil, Track and OHE Package: New Paharpur – New Kastha | 3rd & 4th Line (46 rkm) for DFCC and IR | EPC.

Projects Completed:

The business has completed / commissioned the following projects:

- Meerut-Aligarh-Ghaziabad Road Project (MAGRIP)
- Mej-Indergarh Expressway Project (MIEP)
- Mukkola-Kanyakumari Road Project (MKRP)
- MMRC 10C Track: Commercial operations commenced on the entire 24 tkm stretch from Aarey to BKC on October 7, 2024, TOC received on March 12, 2025
- RRTS Delhi-Meerut Track: Multiple priority stretches inaugurated. Overall, 108 tkm route from New Ashok Nagar (Delhi) to Meerut South has commenced commercial operations

Significant Initiatives

- Setting up of mechanised, automated precast moulds for bridge segment casting in precasting yards
- Deployment of computer vision for monitoring of cycle time of Full Span and U Girder precasting
- Mould Cleaning Robot - Jointly developed with the L&T Product Development Centre, this magnetic tracked robot is designed to clean steel concrete moulds. It functions as

- a platform for interchangeable attachments, including pressure nozzles, paint sprayers and NDT tools
- To achieve water neutrality, wastewater recycling through modular STPs and ETGs was introduced in the MAHRS T3 Track Slab Manufacturing Facility, treating over 3,900 KL of water in FY 2024-25
- To address the challenges of a diverse set of project categories each with unique challenges, a unified Audit Management System — QARS 2.0 — has been introduced. This system incorporates 20 railway-specific audit parameters and has been successfully implemented

Outlook

Roads, Bridges & Formations

Under the Union Budget 2025-26, the budgetary allocation for the Ministry of Road Transport and Highways (MoRTH) is ₹ 2.87 lakh crore, an annual increase of 2.4% on a y-o-y basis.

The Build-Operate-Transfer (BOT) model by the government offers contractors long-term revenue opportunities through the operation and maintenance phases of an infrastructure project. Meanwhile, the business continues to focus on opportunities in this segment by partnering with BOT concessionaires for the EPC scope of the project.

Railway Business Group

As envisaged under the National Infrastructure Pipeline, the focus of railway investments is on improving track capacity, enhancing freight efficiency, increasing train speeds, enhancing safety and ensuring better connectivity.



Mumbai-Ahmedabad High-Speed Rail Project – Package 6

The Union Budget for FY 2025-26 allocated a record ₹ 2.65 lakh crore to the railway sector. The focus of the outlay is expected to be on projects aimed at capacity augmentation and traffic decongestion. The next wave of technological improvements includes upgrading electrification to 2x25kV from the current 1x25kV on trunk routes.

There has been a strong focus on the development of semi-HSR corridors, with track and systems packages worth ₹ 25,000 crore expected to be finalised over the next few years. The National Capital Region Transport Corporation (NCRTC) is expected to issue tenders for civil packages and system contracts by the end of the year, as part of the ongoing development of the four RRTS corridors.

There is a continued thrust on building new and expanding the existing Metro and MRTS to facilitate ease of movement and reduce carbon footprint. System orders are expected to be finalised across four major metro cities and several Tier-2 cities.

International Front

As part of L&T's growth strategy, the RBG is focused on expanding its operational footprint across three key regions: Southeast Asia, Middle East and North & East Africa.

In addition to these markets, the business continues to strengthen its presence in South Asia.

The global railway systems market is poised for significant growth, driven by increasing investments in HSR, Metro, Light Rail Transit (LRT) and mainline corridors.

To effectively address these opportunities and strengthen its presence in key geographies, L&T is in the process of forming alliances with global EPC companies, technology partners and original equipment manufacturers (OEMs).

Heavy Civil Infrastructure

Overview

The Heavy Civil Infrastructure business is an EPC market leader in the core civil infrastructure segments that are crucial to the country's sustainable economic growth and development. The business segments include:

- a) Urban Transit Infrastructure consisting of Metros, Semi & High-Speed Rail (HSR) and Urban Tunnels
- b) Hydel & Tunnels
- c) Nuclear
- d) Ports & Harbours
- e) Defence Infrastructure

The business has a robust domestic presence and undertakes large-scale, complex projects, offering turnkey solutions tailored to meet customer's requirements.

The business derives a competitive edge due to its dedicated in-house design and technical capabilities, competency cells, fabrication facilities, specialised training centres and strong resource base consisting of a skilled workforce, talented pool of employees and a large fleet of advanced construction equipment.



Chennai Metro Rail's Phase 2, C4-ECV-01 Package, Tamil Nadu

Urban Transit: As a frontrunner in augmenting urban transit infrastructure in India, the segment is currently participating in the construction of various metro rail packages - both elevated and underground - in Mumbai, Bengaluru, Chennai, Kolkata, Patna, Agra and New Delhi.

This segment is currently executing multiple packages in India's first HSR corridor connecting Mumbai to Ahmedabad. It has deployed the most advanced high-end construction techniques for the construction of Full Span Launching girders. With a view to promote the *Aatmanirbhar Bharat* initiative of Government of India (GoI), in-house fabricated equipment like Straddle Carrier, Launching Girders, Girder Transporter are being used in the construction of this prestigious project.

Hydel & Tunnels: This segment offers comprehensive turnkey construction solutions for hydroelectric dam projects, barrages, pumped storage plants and complex irrigation projects. The business is in the process of executing projects in Madhya Pradesh, Assam, Arunachal Pradesh, Uttarakhand, Jammu & Kashmir, Rajasthan and Sikkim.

Nuclear: This segment undertakes civil construction works for nuclear power plants. It has expertise in the construction of Pressurised Heavy Water Reactors (PHWR), Light Water Reactors (LWR) and Natural Draft Cooling Towers (NDCT).

Ports & Harbours: This segment has extensive expertise in constructing greenfield ports, shipyard structures and seawater intake systems along the country's coastline. It specialises in offering comprehensive construction solutions for various marine infrastructure elements that include

breakwaters, berths, jetties, wharfs, dry docks and shore protection structures. Currently, the business has presence in Tamil Nadu, Kerala, Andhra Pradesh and Maharashtra.

Defence Infrastructure: This segment offers single-point EPC solutions from concept to commissioning, for various defence civil establishment infrastructure facilities in India.

L&T GeoStructure Private Limited, a wholly owned subsidiary, is a pioneer in the ground engineering space, and is engaged in foundation and ground improvement related projects. It has a strong, professional and specialised team with knowledge of design, equipment and methods to execute and supervise sophisticated foundation works. The business has expertise in deep piling and diaphragm walls, multi-cellular intake wells for river-linking, marine terminals with berths, jetties and deep cut-off walls.

Business Environment

Urban Transit

India's urban landscape is undergoing a rapid transformation, driven by the need to expand and modernise infrastructure to accommodate a rapidly growing population. To this end, the development of efficient urban infrastructure – particularly mass transit systems – is crucial.

India's metro rail development has been remarkable in recent years and has transformed urban mobility across the country. Covering over 1,000 km across 11 states and 23 cities, millions of people rely on metros for quick, easy and affordable travel. India has now become home to the



1,000 MW Pakal Dul Hydro Electric Project, Jammu & Kashmir

third-largest metro network in the world. India's metro rail systems are not only enhancing urban mobility but also contributing to environmental sustainability. There are extensive plans for further expansion of metros with an additional 1,032 km of rail networks having been approved, which will extend the reach to 26 cities.

India has been making significant strides in developing urban transit tunnels to improve connectivity and reduce traffic congestion. These projects are part of India's broader strategy to modernise its infrastructure and support sustainable urban development.

Hydel

India's commitment at COP26 was to establish a non-fossil fuel-based power generation capacity of 500 GW by 2030. To this end, the government has been taking steps to increase investments in offshore wind, pumped storage, hydel power and nuclear power sectors. Pumped Storage Plant (PSP) projects are regarded as a priority among all energy storage systems to support the attainment of this goal.

The GoI has introduced a new framework and streamlined the processes to expedite the development of PSPs. This framework aims to accelerate the growth of India's renewable energy capacity. Key aspects of this framework include streamlined approvals, improved site allocation processes and incentives for private sector participation.

Nuclear

Under the *Viksit Bharat* initiative, India has set an ambitious target to achieve 100 GW of nuclear power capacity by 2047. This goal is part of India's long-term energy transition strategy to ensure energy reliability and reduce dependency on fossil fuels.

To support this target, the government has introduced the Nuclear Energy Mission, which includes significant investments in R&D, particularly in Small Modular Reactors (SMRs). The Union Budget 2025-26 has allocated ₹ 20,000 crore for this initiative, aiming to develop at least five indigenously designed and operational SMRs by 2033.

The government is also focusing on enhancing domestic nuclear capabilities and promoting private sector participation through policy interventions and infrastructure investments.

Ports & Harbours

Sagarmala, a flagship programme of the Ministry of Ports, Shipping and Waterways, aims to promote port-led development in the country. According to the ministry, as many as 800 projects have been identified as a part of the programme. Port modernisation, new port development and port connectivity enhancement are expected to result in increased capacity and world-class infrastructure at Indian ports. The Union Budget for FY 2025-26 announced an allocation of ₹ 30,000 crore for port modernisation and expansion, Green Ports initiative and the development of new ports.



Natural Draft Cooling Tower, Rajasthan Atomic Power Plant 7 & 8

Defence

The government is focusing on building new capacities and upgrading existing defence infrastructure through an increased budget allocation to the Ministry of Defence. This will lead to opportunities in various defence infrastructure projects.

International

The business is exploring opportunities in Middle East and SAARC (South Asian Association for Regional Cooperation) with prospects in the Urban Transit, Defence and Ports & Harbours businesses.

Major Achievements

Major Orders Won:

- Nuclear Island (NI) Mechanical Package for Gorakhpur Haryana Anu Vidhyuth Pariyojana (GHAVP 1&2) Project: This involves EPC, testing and commissioning of primary piping works, nuclear ventilation, common services and plant water package from Nuclear Power Corporation of India Limited (NPCIL).
- Shahpur Pumped Storage Project (PSP): This involves constructing an Upper Dam (to form the upper reservoir), Lower Dam (to form the lower reservoir), Intake Structure with an Approach Channel, Steel Lined Buried Penstock / Pressure Shaft (vertical and horizontal), Surface Powerhouse, Tailrace Outlet Structure, Tailrace Channel, etc. from a leading Renewable Energy solutions company in India.

- Agra Metro Package Phase 1, Line-2: This involves the design and construction of a vital 15.09 km elevated viaduct that will connect Agra Cantonment to Kalindi Vihar through 14 elevated stations and another 2.61 km depot connecting line from Sadar Bazar to PAC depot.
- Teesta Dam 3: Scope of work includes construction of coffer dam, diversion structures, concrete gravity dam for 1200 MW (6 X 200 MW) Teesta III Hydro Electric Project at Mangan, Sikkim India from a leading Renewable Energy solutions company in India.

Projects Inaugurated:

- Thane Creek Bridge III, North Side Bridge inaugurated on January 26, 2025
- Riyadh Metro inaugurated on November 27, 2024
- Mumbai Metro Line 3 Package 7 inaugurated on October 5, 2024

Other key achievements:

- Mumbai-Ahmedabad High-Speed Rail MAHSR C4 has completed 196 km of super structure build
- Successfully erected the IC dome liner (270 MT) of KKNPP Unit 4 and commissioned unit 7 of RAPP NDCT
- Chennai Metro CMRL RT 01 Package erected 52 numbers U-Girder erection in a single month
- Pakal Dul HEP HRT-TBM package team has achieved a new record achieving 46.596 RM of tunneling in a single day and 628.652 RM of tunneling in December 2024



380 kV Double Circuit Overhead Transmission Line (OHTL) between Arar and Rafha, Kingdom of Saudi Arabia

Outlook

India is expected to spend nearly ₹ 143 lakh crore on infrastructure up to 2030 with a focus on urban transit, renewable energy and ports. The upcoming phase of infrastructure development is set to witness an increase in the average project size and a notable increase in the number of mega-scale projects.

To this end, the government is looking to encourage private and foreign investment through various initiatives such as liberalised FDI policy, fiscal incentives and measures such as *PM Gati Shakti* and a National Single Window System to improve the ease of doing business.

Faced with rapid urbanisation, the government is considering the implementation of Mass Transit Systems such as Metro / Metro Lite / Metro Neo / Personal Rapid Transit System in Tier 1 and Tier 2 cities. These initiatives are part of the green mobility drive to reduce the country's carbon footprint in the fight against climate change.

With a strong push towards green energy initiatives, including supportive policies and fiscal incentives, this business has numerous opportunities in the hydro, nuclear and pumped storage sectors to contribute meaningfully to India's sustainable energy transition.

Power Transmission & Distribution

Overview

The Power Transmission & Distribution business vertical is a major EPC player, providing technology-driven, end-to-end solutions for enabling access to clean, reliable electricity. It offers integrated EPC services and related digital energy solutions, starting from the establishment of smart and efficient transmission and distribution (T&D) networks to last-mile electrification. It serves utilities, renewable energy developers, industrial and infrastructure customers in 30 countries across the SAARC, ASEAN, the Middle East, Africa, North America and CIS regions.

The business is broadly organised into T&D and Digital Energy Solutions (DES) businesses.

The **Transmission & Distribution** business caters to various T&D utilities and developers, along with bulk power supply consumers like metros, airports, etc. in creating the following infrastructure:

Substation: Turnkey solutions for Extra-High Voltage (EHV) air-insulated / gas-insulated substations up to 1,200 kV, Flexible AC Transmission Systems (FACTS) devices such as Static Synchronous Compensator (STATCOMs) and Static VAR Compensator (SVCs), Digital Substation related solutions and EHV cable systems.



300 MVAr Zakher STATCOM, UAE

Transmission Line: Complete EPC solutions for overhead transmission lines. It is well integrated with the digitally driven, sustainability-focussed tower manufacturing units, with a combined capacity to produce more than 1 lakh tonnes of tower components per annum. The Kancheepuram manufacturing facility also houses a state-of-the-art Tower Testing and Research Station, which provides its design and testing services to clientele across 33 countries.

Power Distribution: A range of EPC services related to urban/rural electrification, augmenting, reforming and strengthening of high voltage and low voltage distribution networks, power quality improvement works and advanced distribution management solutions.

Geographically the major operating regions are India, Saudi Arabia, UAE and the rest of the Middle East. The business also has strong presence in Africa, ASEAN and the CIS regions.

The business has earned a strong reputation in the Middle East among the utilities and energy companies in Saudi Arabia, UAE, Oman, Qatar, Kuwait and Bahrain, having executed several marquee projects. It enjoys an enviable track record and garners a significant share of T&D projects awarded every year.

Larsen & Toubro Saudi Arabia LLC (LTSA), a wholly owned subsidiary, provides engineering, construction and contracting services in the sphere of T&D in Saudi Arabia.

In the Africa region, the business has executed landmark projects in Algeria, Egypt, Morocco, Kenya, Ethiopia,

Tanzania, Uganda, Botswana, Mozambique and Malawi. It has made further inroads into Western and Northern Africa with ongoing projects in Guinea, Cameroon and Tunisia.

In the ASEAN region, L&T is an established T&D player, holding a portfolio of prestigious projects spread across several countries.

The Digital Energy Solutions arm provides electricity related consulting and digital solutions globally through its unique platform and a multitude of software products and solutions. Its cutting-edge offerings include hybrid energy management systems, control room and substation automation solutions, grid edge interconnections and power system cyber security needs, amongst other solutions. Driven by powerful algorithms and simulations, the solutions offered by this business unit enable customers across India, the Middle East and the USA to build resilient future-ready systems.

The focus of the PT&D business vertical is to create a path for a transition to sources of clean energy in India and abroad, while enabling the customers/prosumers with the highest standards of reliability, availability and efficiency of power T&D networks.

Business Environment

The pursuit of grid strengthening in the Middle East countries, the pace of renewable capacity addition and projected demand growth have provided ample opportunities for growth in the substation and transmission line businesses.



A Transposition Tower along the 765 kV Fatehgarh-Bhadla Transmission Line in Rajasthan

In India, certain trendsetting orders related to grid digitalisation have been awarded. This is expected to pave the way for modernisation of distribution and for better management and control of the electricity network as renewable energy penetration increases.

The revival of order finalisation of 765 kV transmission line packages associated with emergent renewable energy zones has provided further opportunities in India.

Major Achievements

Major Orders Won:

- 5 packages of 765 kV transmission lines and 2 numbers of 765 kV substations for energy transfer from RE Zones in Western India to multiple load dispatch centres
- ±800 kV Bipole High Voltage Direct Current (HVDC) transmission link in Western India
- Advanced Distribution Management System in West Bengal
- Upgrading Energy Management System in Southern Region load dispatch centre in India
- 2 packages of ±500 kV Bipole HVDC transmission lines in Saudi Arabia for regional interconnections
- 4 numbers of 380 kV substations and 5 transmission line packages for grid expansion in Saudi Arabia
- 14 substations of various voltage levels in UAE and 3 substations in Qatar
- 400 kV substations and a transmission line in Kuwait
- 3 packages of 400 kV transmission lines and associated grid stations in Oman

- Setting up of a new National System Control Centre in Kenya which will serve as a transmission hub for facilitating integration of variable RE and enabling merit order power dispatch

Projects Completed and Commissioned:

- Tunnel electrical and mechanical works packages associated with Udhampur Baramulla Srinagar Rail Link project, Jammu & Kashmir
- 765 kV transmission link in Rajasthan
- 400 kV gas-insulated substations in Andhra Pradesh and Rajasthan
- 2 substations in Nepal
- 2 transmission line projects in Bangladesh
- 5 substations and 312 km of overhead transmission lines in Saudi Arabia
- 18 substations and 168 km of underground cables across UAE, Kuwait and Qatar including STATCOM and offshore substation projects
- 3 substations and 117 ckm of transmission lines in Africa
- 4 substations in ASEAN region

Significant Initiatives

- Launched Liquified Natural Gas (LNG)-powered truck for transporting transmission line tower parts from Kancheepuram factory to project sites as a supply chain decarbonisation initiative.
- Developed a unique software-defined Phasor Data Concentrator and Substation Gateway which is a



400/220 kV Gas Insulated Substation at Mylasandra near Electronic City in Bengaluru, Karnataka

remarkable milestone in digital management and control of vast grid networks.

Outlook

International

The multifold expansion of transmission grid infrastructure in the Middle East region is expected to continue as several in-country and country-to-country interconnections are planned. The need for grid strengthening to sustain capacity addition is also well understood across these countries. HVDC corridors and Flexible AC Transmission System (FACTS) components are also being added to the network.

In addition, ancillary opportunities are expected to open up as substantial investments take place in the real estate, industrial and technology projects in the GCC region that create new sources of electricity demand. For instance, Saudi Arabia has embarked on the creation of a dozen vibrant urban downtowns while several housing projects and theme parks are being developed in other GCC countries. In the artificial intelligence mission, electricity generation capacity and a strong grid are considered as critical enablers.

Even as projects in the renewable space come onstream, the revival of optimism in conventional areas with carbon reduction strategies may offer opportunities.

Selective pursuit in specific countries in Africa and ASEAN - especially in renewables-linked projects – is expected to fuel growth in the near future.

Domestic

The domestic opportunities are expected to regain momentum with inroads into select Tariff Based Competitive Bidding (TBCB) projects, digital solutions and distribution projects. 765 kV transmission line and substation opportunities, primarily for the purpose of renewable energy evacuation, are expected to provide a stable order inflow in the medium-term. Further, opportunities in HVDC corridors and metro rail projects are also expected to bolster prospects. The next phase of distribution modernisation is expected to gain momentum and should provide further opportunities from select distribution companies (DISCOMs).

The impact on supply chain due to the unfolding 'trade war' scenario is a risk factor. Strategies to navigate challenges with respect to fluctuating commodity prices, increasing localisation requirements in certain geographies and equipment delivery constraints are in place. Further, strengthening of teams to enable timely execution of the fast-track jobs in early stages is being worked upon.

A strong order book and visibility of prospects offers a constructive outlook. Armed with core engineering skills and in-house software development capabilities, the ability to provide a range of advanced physical and digital solutions including advanced network-wide energy management systems, intelligent power distribution systems and dynamic reactive power compensation, at scale, gives the PT&D business an edge over competition. Further, the business continues to focus on managing its working capital efficiently which should enable further improvement in the return ratios in the near to medium-term.



2 GWp Ar Rass 2 PV Solar project in Kingdom of Saudi Arabia

Renewables

Overview

The Renewables business vertical is a single-stop EPC service provider for GW-scale solar PV, energy storage, microgrid and hybrid renewable projects. L&T is amongst a few players with experience and expertise in handling different module technologies, module mounting structures, contour-based solutions for challenging terrains and storage types. It serves renewable energy developers, utilities, industrial, and infrastructure customers across India, Middle East, the SAARC, ASEAN, Africa and CIS regions.

The business group has accumulated in-depth engineering and construction know-how to execute a vast range of renewable projects, be it hybrid, floating or linear, with best-suited technologies for terrain type and tracking. The round-the-clock (RTC) renewable energy required by emerging load centres such as data centers and green hydrogen plants can be effectively provided by the business, with its wide-ranging capabilities in solar PV plants, battery energy storage systems (BESS), energy management systems / SCADA, wind balance of plant, and grid elements.

The container integration facility at Kancheepuram augments the capabilities of the business with an annual capacity to integrate ~1.2 GWh of BESS with associated intelligent management and control system.

Business Environment

A vibrant renewable energy market in India, Middle East and CIS provides ample opportunities for growth. These opportunities come with significantly higher package sizes, thereby aiding effective resource utilisation and facilitating volume growth.

Renewable energy projects in India face challenges related to land acquisition, inter-state transmission system (ISTS) connectivity and power evacuation, intense competition from smaller EPC players, e-reverse auctions, in-house EPC execution by most private developers, and policy uncertainties. The business focuses on select opportunities from public sector undertakings (PSUs), state utilities and specialised projects such as floating solar power projects.

Major Achievements

Major Orders Won:

- 2.5 GWp solar PV and 10 GWh BESS EPC order in UAE
- 1.2 GWp solar PV and 1 GWh BESS EPC order in CIS
- 3.5 GWp solar PV plant EPC order in KSA
- 0.7 GWp solar PV, 45 MWh BESS and 156 MW floating solar plants in India

Projects Completed and Commissioned:

- Completed - 3.7 GWp solar PV plants in KSA
- Commissioned
 - 0.7 GWp solar PV plants + 57 MWh BESS across India
 - 1 GWp of solar PV plants in UAE
 - 2.6 GWp of solar PV plants in KSA



112.5 MW Solar PV for WBSEDCL, West Bengal

Significant Initiatives

- Established a new wind vertical in response to the prospects in wind projects
- Enhanced capacity of container integration facility at Kancheepuram through technology tie-up and localisation approach for BESS Liquid Cooling Container Integration from 400 MWh to 1.2 GWh per annum

Outlook

Renewable electricity has emerged as the preferred source of energy in varied applications and industries. Significant investments for enhancing renewable energy capacity are being witnessed in both developed and emerging economies.

Novel solutions involving a spectrum of renewable technologies, including energy storage and wind, are being integrated for solar generation. This expansion of renewable energy production will go hand in hand with a multi-fold expansion of the transmission grid infrastructure.

The GCC countries have set ambitious renewable energy plans for 2030, which are backed by action on the ground. Besides diversification of fuel mix, renewable energy for green hydrogen is another major driver. Our reputation and relationships with the major developers in the region are expected to fuel the growth of the business in the other regions as well.

The Renewables vertical will look to focus on certain countries in Africa and ASEAN where it can leverage its proven track record, established relationships with various stakeholders and ability to access the project finance market to pursue select opportunities arising from just transition initiatives to grid interconnection requirements and renewable proliferation.

In India, the manufacturing capacity of solar PV cells is expected to increase substantially in the coming years. In this regard, the Ministry of New and Renewable Energy has recently amended the Approved List of Models and Manufacturers (ALMM) Order for implementation of ALMM for solar PV cells. It is crucial for India to achieve self-sufficiency in PV cell manufacturing to meet the ambitious RE targets by 2030.

The influx of orders coupled with ramped-up execution, automation and mechanisation of the execution processes and efficient working capital management provides strong ground for improved return ratios in the near to medium-term.



HPCL Rajasthan Refinery Limited (HRRRL) Water Block Package

Water & Effluent Treatment

Overview

The Water & Effluent Treatment business delivers end-to-end water management solutions for both government and private sector clients. The business expertise covers the entire water life-cycle, including potable water treatment, storage and conveyance, wastewater management, industrial water solutions, irrigation, desalination and smart water infrastructure. Through its in-house Water Technology Centre, the business continuously integrates cutting-edge technological advancements and world-class processes to enhance efficiency and innovation in water management.

With a strong footprint across India and operations spanning five international markets, the business delivers large-scale, high-impact projects aimed at improving clean water access, optimising treatment processes and modernising distribution networks. Adhering to rigorous quality and safety standards, the business has earned a recognition for excellence, sustainability and technological innovation. As it expands into high-growth sectors, the business remains committed to operational efficiency and ESG principles, further solidifying its position as a trusted leader in the water management industry.

The WET business is structured into three verticals:

- Water & Wastewater
- Irrigation, Industrial & Infrastructure
- Water International

The **Water & Wastewater** business vertical delivers comprehensive water solutions for the municipal and rural water sectors. In the potable water domain, it manages projects end-to-end covering sourcing, treatment, transmission, storage and distribution. In the municipal wastewater segment, project bids cover collection and conveyance of sewage, construction of pumping stations and advanced wastewater treatment plants, including high-standard sludge treatment and power generation.

The **Irrigation, Industrial & Infrastructure** business vertical caters to the irrigation and industrial sectors by offering a diverse range of water solutions, including mega and micro irrigation systems, industrial effluent treatment, plant water systems and water infrastructure for smart cities. This vertical also undertakes desalination projects in India and abroad to support sustainable water management.

The **Water International** business focusses on providing complete water solutions in markets in Middle East and East Africa.

Business Environment

Government policies are set to reshape India's water management landscape, with initiatives from both the central and state governments playing a crucial role in driving demand across potable water, wastewater treatment and irrigation segments. The union budget underscores a strong commitment to India's water future through measures such as extending the *Jal Jeevan Mission* until 2028, targeting investments to bolster irrigation



Water Treatment Plant (WTP) in Buxwaha is part of the Buxwaha Multi Village Rural Water Supply Scheme (MVRWSS), Madhya Pradesh

by launching river interlinking programmes, large-scale irrigation projects, and accelerated upgrades in urban water systems under AMRUT 2.0.

The business faces industry-specific challenges, including intense competition from established players and new entrants, workforce shortages and cost escalations. To address these challenges, the business capitalises on the in-house Water Technology Centre to provide for low-cost innovative solutions that are sustainable and future-ready.

The Middle East saw robust growth driven by extensive investments in desalination projects and the adoption of smart water technologies, as governments and private entities focus on addressing water scarcity and enhancing water security. Strategic partnerships and large-scale initiatives emerged to modernise infrastructure and improve the efficiency of water distribution systems amidst heightened environmental challenges.

Major Achievements

Major Orders Won:

The business bagged multiple orders in India and abroad:

- Ras Mohaisen Desalination Plant, KSA – 300 MLD capacity
- Amravati Capital City Development, Zone 7, Andhra Pradesh – Utility Network
- Dholpur Water Supply Scheme, Rajasthan – 190 km pipeline network
- Pirana STP, Gujarat – 424 MLD Sewage Treatment Plant

Major Projects Commissioned:

More than two million people benefitted with the commissioning of 10 projects during FY 2024-25. Some of the major projects commissioned during the year are:

- Athikadavu – Avinashi LIS, Tamil Nadu
- Narmada Kshipra Lift Irrigation, Madhya Pradesh
- Water Transmission Project in Ad Dakhiliyah, Oman
- HPCL Rajasthan Refinery Ltd. (HRRL) Water Block Package, Gujarat
- Buxwaha Water Supply Scheme, Madhya Pradesh
- Tapi Lift Irrigation Scheme, Gujarat
- Rajkot Smart City, Gujarat

Significant Initiatives

Multiple initiatives were undertaken with a focus on operational efficiency, technological advancements, financial prudence and market expansion to strengthen business resilience, address key challenges and capitalise on future growth opportunities.

- Real-time risk monitoring and implementation of control measures are being implemented across project sites along with operational control procedures across risk profiles to achieve operational excellence and safety awareness.



Athikadavu Avinashi Lift Irrigation Scheme, Tamil Nadu

- An in-house unit has been constructed in Madhya Pradesh for micro-irrigation projects where a technology driven system is being developed for applications in Large Water Management Systems (LWMS). This system optimises water delivery to crops, reduces wastage and increases agricultural yield.
- Timely completion of project and smooth handover to O&M customers are crucial activities within the project life-cycle. The business has formed a 'Commissioning Cell' to work closely with project teams for faster completion of jobs.

Outlook

The business predominantly operates as a B2G vertical with dependency on Central and State policies, with ongoing initiatives playing a pivotal role in shaping business opportunities. India's water and wastewater sector is poised to grow at a CAGR of 12%, targeting USD 17.9 billion by FY 2028-29, primarily driven by the need for improved wastewater treatment and water security. Government-led initiatives, of establishing over 500 wastewater treatment plants by 2027 and the extension of the Jal Jeevan Mission programme until 2028, present significant growth prospects in both potable as well as treated water infrastructure. Additionally, large-scale river interlinking projects in Haryana, Rajasthan and Madhya Pradesh, along with irrigation expansion in Karnataka and Bihar, continue to drive sectoral investments.

Urban water infrastructure is witnessing substantial upgrades, with major cities such as Delhi, Chennai, Bengaluru and Pune developing modern sewage treatment plants, while Maharashtra advances on a desalination project in Mumbai. States like Punjab and Karnataka are also strengthening wastewater management and urban water systems under AMRUT 2.0, enhancing the overall demand for advanced water solutions.

In the Middle East and Africa, countries are increasingly investing in desalination and water distribution projects to meet the rising demand for clean water. Strategic partnerships and regional economic growth initiatives will be crucial in leveraging these opportunities.

Going forward, the business will focus on expanding opportunities in irrigation, wastewater treatment, desalination and urban water management while strengthening its international footprint.

While the industry presents strong growth potential, challenges such as escalating operational costs, competition from new entrants and commodity price volatility persist. The business remains focused on technological innovation and process efficiencies to enhance competitiveness and sustain market leadership. Robust strategic planning and risk management will be the key in navigating the evolving market dynamics and ensuring long-term business resilience.



Freight Handling Facility for Etihad Rail, UAE

Minerals & Metals

Overview

The Minerals & Metals business offers complete EPC solutions for the mineral and metal sectors across the globe. The business undertakes end-to-end engineering, procurement, manufacturing, supply, construction, erection and commissioning of projects covering the complete spectrum from mineral processing to finished metals.

The business also offers comprehensive product solutions with an array of customised mineral crushing equipment and plants for varied applications; surface miners; material handling equipment; high-speed railway construction equipment; steel plant machinery; port and shipyard cranes, and other custom-made critical equipment and complex assemblies catering to core industrial sectors including mining, steel, ports, fertilisers, cement, chemical plants, etc.

The complete range of product solutions is backed by six decades of experience and knowledge, in-house design resources, state-of-the-art manufacturing capabilities and after-sales product support with value-added and cost-effective services to ensure higher uptime.

M&M has manufacturing centres located at Kansbahal, Odisha and Kancheepuram, Tamil Nadu. The Kansbahal centre is equipped with advanced engineering resources, computer-aided engineering and simulation facilities for its operations. This centre is also certified ISO 9001:2008. The business's Engineering Design & Research Centres (EDRCs) are in Kolkata, Chennai and Mumbai.

Business Environment

Domestic Business

India remains a dominant player in the iron and steel industry as world's second largest crude steel producer. The growth in domestic steel consumption continues to be robust, driven by key sectors such as infrastructure, automotive, construction and consumer goods. In FY 2024-25, crude steel production is expected to exceed 145 million tonne (MT), while domestic steel consumption is expected to reach around 135 MT.

The government's ongoing focus on infrastructure development continues to play a pivotal role in driving demand for steel and other metals. These policies, coupled with favourable market conditions, have helped the metal industry improve production volumes and achieve stronger realisations.



Launching Girder manufactured by Minerals & Metals - Product Business Unit, in action at the High-Speed Rail Project in Anand, Gujarat

Recently, India has made significant discoveries of lithium reserves, particularly in Jammu & Kashmir and Rajasthan. Besides its immense use and relevance in future-focused industries like EVs and energy storage, discovery of this critical resource can reduce India's dependence on imports and support transition to green mobility.

International Business

Planned investments in the metallurgy sector in the Middle East are a key focus area for the M&M business. The region enjoys the advantages of land availability, low energy costs, high solar irradiation potential and proximity to the European market. In addition, the continuous push to diversify the economy has given a much-needed push to the minerals industry for value creation within the GCC region.

GCC countries have a planned roadmap to tap the extensive minerals resources within their respective territories. Apart from minerals reserves within the region, GCC countries are working to secure their supply chain for raw materials for the domestic industry in general and new age and transition metals in particular.

Opportunities in setting up process plants for iron and steel, aluminum, gold, phosphate, copper and new age metals in the region are extensive. These opportunities allow for a higher degree of visibility for the business in the near to medium-term.

Product Business

The outlook for the product business, driven by continued investments in infrastructure, urbanisation and industrial expansion, remains positive. The government's push for large-scale infrastructure projects, including smart cities, roads, highways and ports, presents significant opportunities for growth in the domestic market.

This business is actively pursuing opportunities in select international markets and has secured its first order from a European client for a stacker reclaimer. The business has also received repeat orders for surface miners from Africa.

The growth of core products such as crushing systems, surface miners, material handling equipment, port and shipyard cranes and steel plant equipment is primarily driven by higher investments in the following industrial sectors:

Cement Sector: The cement segment in India is expected to grow at a CAGR of 6% to 7% over the next five years, with significant investments in greenfield and brownfield projects. Major domestic players are undertaking ambitious expansion plans to capitalise on this growth potential.

The business unit witnessed large order inflows from the cement sector in FY 2024-25. The strong order pipeline is expected to continue on the back of the current momentum in the infrastructure economy. It is estimated that the Indian cement industry is likely to add ~ 40-45 MT capacity in FY 2025-26.



Blast Furnace for JSW Dolvi, Maharashtra

Mining, Power & Steel Sectors: The surge in steel plant capacity, along with the continued growth in coal and iron ore production to meet rising demand in the steel and power sectors, has significantly boosted business opportunities for a range of business's equipment, including coal crushers, surface miners, stacker reclaimers and wagon tipplers.

Backed by the National Steel Policy targeting 300 MTPA capacity by 2030, the sector is witnessing significant investments by major players. Additionally, the Government of India has envisaged 80 GW coal-based thermal power capacity addition by 2030 with major public and private players driving expansion.

The year also witnessed increased order inflow for surface miners, apron feeders, stacker reclaimers, wagon tipplers, coal crushing equipment from the above sectors. The growth momentum is expected to continue in the coming years in line with expansion plans of mining, power and steel enterprises.

Construction Sector: The growth in the infrastructure space is the primary demand driver for aggregate crushing solutions equipment. With an increased budget allocation for roads and highway development in FY 2025-26, the sector is poised for significant growth. Following the successful supply of new generation high-capacity aggregate crushing solutions, FY 2025-26 presents promising opportunities, driven by the momentum in infrastructure development.

Port Sector: The port sector in India is set for significant growth, driven by government initiatives such as the Sagarmala Programme and Maritime India Vision 2030. Container traffic is projected to grow steadily at 8% y-o-y, leading to an expected capacity addition of 21 MTEUs in container terminals and 455 MTPA in bulk terminals by 2031. Additionally, Gol's renewed focus on enhancing shipbuilding capacity and upgrading/expanding naval dockyards is expected to drive demand for shipyard cranes.

Major Achievements

Major Orders Won:

- DRI plant and pellet plant in the UAE
- Freight handling facilities in the UAE
- First ever EPC order for 2*8 MTPA pellet plant from a large global steel producer
- Coke oven battery for a large domestic public sector steel producer
- Alumina refinery in Odisha for a large domestic non-ferrous metals company
- Tail gas treatment plant for a large domestic non-ferrous metals company at Chanderiya and Debari
- Largest order received for material handling equipment from a large domestic infrastructure company for 12 sets of stacker reclaimers and 4 sets of wagon tipplers



Mansourah-Massarah Gold Project - Gold Processing Plant in Kingdom of Saudi Arabia

- Largest order received for port crane equipment from a domestic shipbuilding company for 8 numbers of electric level luffing cranes
- Largest order for 14 numbers of 380 tonne torpedo ladle cars from a domestic private sector steel producer

Marquee Projects Commissioned:

- 3 MTPA alumina refinery in Lanjigarh, Odisha, commissioning Train #1 of the refinery on March 31, 2024
- Hot commissioning of twin slab caster at a major domestic private sector steel plant
- Load commissioning of domestic coal handling projects
- Commissioning and performance guarantee test completion for domestic coal handling projects
- Commissioning of a large domestic non-ferrous metal company's roaster plant
- Commissioning of stacker reclaimers / wagon tipplers for a major domestic industrial company's project at Yadadri, Telangana
- Designed and manufactured hybrid tandem wagon tippler for a major domestic private sector steel producer

Significant Initiatives

- 2.5 MWp solar plant commissioned at Kansbahal Works to replace 45% of energy usage with renewable energy, expected to reduce 3,200 MT of CO₂ emissions by lowering dependency on thermal power
- First robotic welding machine for crusher rotors successfully installed at Kansbahal Works, which will enhance weld quality and reduce welding man-hours by 75% thereby ensuring safer operations
- Kansbahal Works is certified ISO 3834-2:2021 and EN 1090-2:2008

Outlook

More than 70% of the world's steel production is in Asia. While Japan and South Korea, historically major producers of steel, are experiencing decline in their global shares as they move towards reducing domestic production for environmental and economic reasons, India, with its vast iron ore reserves and expanding domestic consumption, is increasingly emerging as a major beneficiary of this shift. India is well-positioned to meet its steel production targets by 2030, further strengthening its role as a leading global supplier.



Laminar Cooling System for 3 MTPA Hot Strip Mill (HSM) at Rourkela Steel Plant, Odisha

In India, the ongoing privatisation of mining assets is attracting increased investments in mineral beneficiation and pelletisation of iron ore. These developments aim to enhance the value of raw materials while producing more environmentally friendly products for both domestic and export markets. Indian steel companies are progressing with their capacity expansion plans, supported by strong domestic consumption and robust margin.

The non-ferrous sector, particularly in aluminum and zinc, continues to see capacity expansion. Major players are investing in new projects to meet rising demand and to capitalise on technological advancements in production.

In the Middle East, the minerals and metals sector is becoming an increasingly attractive investment destination.

The region benefits from low energy costs, investor-friendly policies and accessible financing options. This aligns with the Middle East's vision to diversify its economy beyond oil with a focus on growing industries such as metals and minerals. Significant investments are being made in logistics and infrastructure projects in the UAE and Oman, particularly in expanding port facilities, transportation networks and storage capabilities. Several of these key projects are nearing completion, which will further enhance the region's ability to handle growing trade in metals and minerals.

Overall, the outlook for FY 2025-26 remains positive, with sustained growth driven by ongoing capacity expansions, technological innovations and strategic investments across key regions and sectors in the global minerals and metals industry.

ENERGY PROJECTS SEGMENT



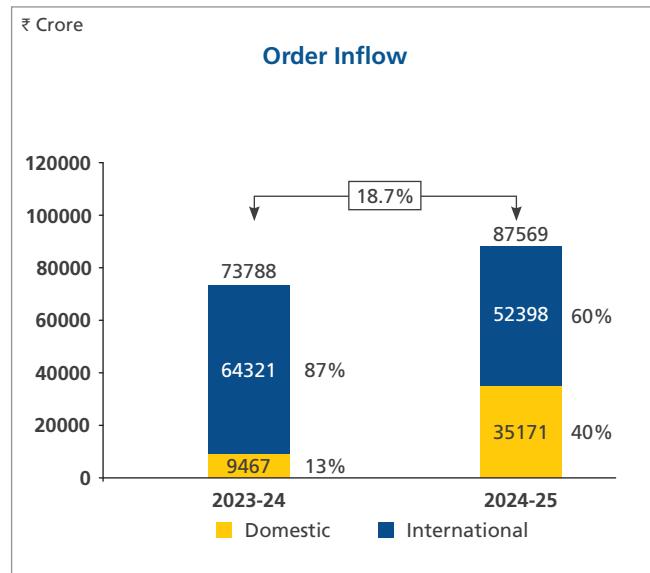
LTS 3000 Heavylift cum Pipelay Vessel in Saudi Waters

The Energy Projects segment comprises of:

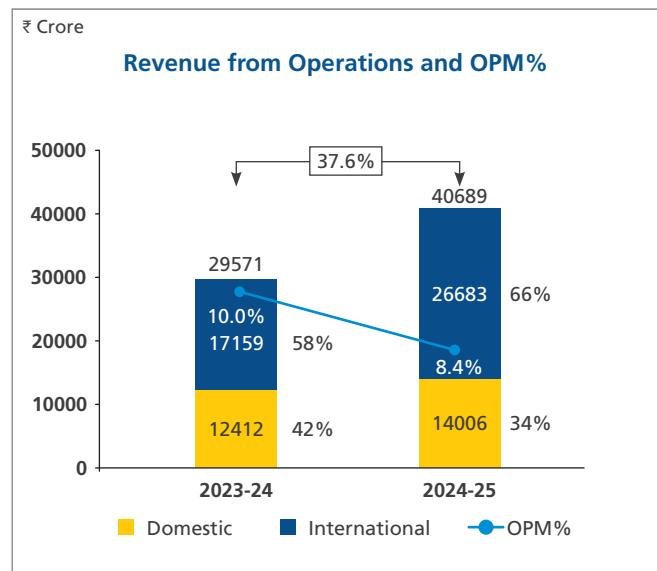
- a) Hydrocarbon Business
- b) CarbonLite Solutions Business
- c) Green & Clean Energy Business

As businesses across the globe move towards decarbonisation, and, as a part of the strategy to become a major player in the energy transition space, the Company has repurposed its Energy-Power business to CarbonLite Solutions business from the current year.

Financial performance of the segment



The Energy segment achieved order inflows of ₹ 87,569 crore in FY 2024-25, registering a growth of 18.7% over the previous year on receipt of an ultra-mega order in the Hydrocarbon business and BTG (boiler-turbine-generator) orders in CarbonLite Solutions business. The share of international orders declined to 60% from 87% in FY 2023-24.



The Energy segment's revenue at ₹ 40,689 crore for the year grew by 37.6% y-o-y due to a strong pick-up in the execution momentum, mainly in the Hydrocarbon business. The Power business, on the other hand, registered a decline due to



Expansion of Marine Terminal for Juaymah NGL Facilities, Kingdom of Saudi Arabia

a lower opening order book. The share of international revenue in FY 2024-25 at the segment level was higher at 66% compared to 58% in the previous year on the execution of large international projects in the Hydrocarbon business.

The segment's operating margin declined to 8.4% from 10.0%, mainly due to new orders being in the early stage of execution in Hydrocarbon business.

Funds employed by the segment as on March 31, 2025, at ₹ 2,482 crore, decreased by 57.1% y-o-y mainly due to reduction in contract assets in some large value Hydrocarbon projects.

Major fabrication facilities are located in India and in the Middle East. In India, the Engineering, Procurement & Project Management Centres are located at Mumbai, Vadodara and Chennai, and modular fabrication facilities are at Hazira (near Surat) and Kattupalli (near Chennai). The overseas presence of the business is predominantly in the Middle East, i.e. in KSA, UAE, Qatar, Kuwait, Oman and Algeria. A project management office with a training facility, a heavy wall pressure vessel manufacturing unit and a piping factory have been established in the Kingdom of Saudi Arabia (KSA). The business has also invested in a state-of-the-art modular fabrication facility at Sohar in Oman.

The business caters to clients across the hydrocarbon value chain through the following business verticals and units:

Hydrocarbon Business

Overview

The Hydrocarbon business provides integrated 'design and build' turnkey solutions across multiple geographies. The business executes projects encompassing engineering, procurement, fabrication, construction, installation, project management and asset life services.

Backed by digitalisation and cutting-edge innovation, the business has integrated capabilities across the value chain, including in-house front-end design and detailed engineering, project management, procurement, modular fabrication facilities, onshore and offshore construction, installation, and commissioning.

Offshore

The Offshore business offers lumpsum turnkey EPCIC (Engineering, Procurement, Construction, Installation and Commissioning) solutions for wellhead platforms, riser platforms, process platforms, accommodation platforms, subsea pipelines, brownfield developments, decommissioning projects, deepwater structures, manifolds, as well as transportation and installation services to the global offshore oil & gas industry.

The Offshore business has dedicated comprehensive in-house engineering capabilities that offer 'Fit for Purpose' engineering solutions, which cover the complete project lifecycle, from concept to commissioning. As a one-stop solution



Full Conversion Hydrocracker Unit for Hindustan Petroleum Corporation Ltd. (HPCL), Visakhapatnam, Andhra Pradesh

EPCIC player, the business has in-house fabrication facilities focussed on quality and timely dispatches. The Company's marine assets include a self-propelled heavy-lift-cum-pipe-lay vessel, LTS 3000, held through a joint venture, and a wholly owned pipe-lay barge, LTB 300. These assets facilitate faster offshore installation and support timely project completion.

As an engineering partner of choice for both domestic and international markets, the Offshore project management team aims to deliver complex offshore projects in a time-bound manner with the highest quality standards in a safe and incident-free environment.

Onshore EPC

The Onshore business provides end-to-end 'Design to Build' LumpSum Turnkey (LSTK) EPC solutions across the midstream and downstream segments of the hydrocarbon value chain. Its expertise spans oil & gas processing and treatment facilities, oil & gas field development, petroleum refining, petrochemicals, fertiliser, cross-country pipelines, crude oil and product storage tanks & terminals, cryogenic storage/LNG tanks & terminals, coal / pet-coke gasification, complex composite work, CMEI (Civil Mechanical Electrical Instrumentation) on an LSTK basis.

With a proven track record of concurrent execution of multiple mega / ultra-mega projects across domestic and international markets, the business collaborates with a diverse range of technology process licensors, ensuring efficient and cutting-edge project execution.

Modular Fabrication

The Modular Fabrication business specialises in supplying plants and modular systems built as solutions for the offshore, onshore oil & gas, and offshore wind farm industries, with the capability to deliver modules up to 6,600 MT.

Its dedicated engineering and project management expertise is extensive and draws on the strengths of the EPC businesses for both offshore and onshore projects. Offshore solutions encompass structures and modules for oil & gas and wind farm projects, including deepwater subsea structures, oil & gas manifolds, jack-up rigs and mobile offshore production units (MOPU). Onshore offerings cover process and pipe rack modules, skids, structures, static equipment / pressure vessels and columns, modular specialty furnaces and prefabricated control rooms / substation buildings (E-houses).

World-class modular fabrication facilities are strategically located at Hazira (India's west coast), Kattupalli (India's east coast), Sohar (Oman) and Jubail (KSA). The combined annual capacity for fabrication is estimated at about 60 million manhours or 200,000 MT. The heavy wall pressure vessel manufacturing facility in KSA primarily caters to the local requirement of offshore and onshore projects in the Kingdom.

Modular engineering capability also includes tailored 'Print to Build' solutions for technology companies, particularly in renewables and decarbonisation space. The business delivers modules to clients in North America, Europe, Africa, the Middle East, Asia and Australia.



Ready-to-install Modules fabricated at Kattupalli facility, for the world's largest Green Hydrogen plant in Kingdom of Saudi Arabia

Advanced Value Engineering & Technology Services (AdVENT)

Leveraging its expertise in high-end engineering and the execution of technically complex EPC projects, the AdVENT business unit delivers customer-centric solutions for various elements of hydrocarbon industry value chain.

AdVENT's technical capabilities enable it to offer tailored engineering solutions from concept to commissioning. The business offers EPC project solutions, integrated modular solutions, refinery technology solutions and sustainable waste-to-energy solutions.

The business also focusses on technology-backed petrochemicals and downstream chemical industries that are the building blocks of high-value industrial end-products.

Asset Management

The Asset Management business delivers differentiated and value-added services across a wide spectrum of solutions to hydrocarbon and allied process Industries.

These comprehensive asset management solutions cover operations, maintenance, performance enhancement and health assessment of critical assets. The business complements the organisation's EPC project offerings for a mutually beneficial engagement over the life-cycle of assets.

The comprehensive operations and maintenance outsourcing model covers consulting, asset integrity, asset performance improvement and specialised services based on the client requirements.

Offshore Wind

The Offshore Wind business is dedicated to advancing clean and sustainable energy solutions. This business provides turnkey EPCI (Engineering, Procurement, Construction, Transportation, and Installation) services, specialising in both offshore HVAC/HVDC substations and Wind Turbine Generator (WTG) foundations encompassing both fixed and floating structures. The business is supported by strong multidisciplinary teams, strategic partnerships with key industry stakeholders and a robust supplier network. The Company's factory establishments include three state-of-the-art fabrication facilities in Oman and India, operating under the principle of 'Think Global, Act Local'. The business operates in the Far East, Europe and the United States.

Business Environment

As the transition to sustainable energy accelerates, both energy-producing and energy-consuming nations are striving to balance the need for continued investments to support domestic growth with the long-term emission reduction goals aligned with their respective Net Zero commitments.

The renewable energy sector continues to gain traction, fuelled by clean energy demand, policy support and rapid technological advancements. In addition, the growing emphasis on energy efficiency and carbon reduction is boosting demand for CCUS (Carbon Capture, Utilisation & Storage) projects.



HVAC Offshore Substation and WTG's Monopile

Expansion of offshore projects continued to gain momentum in the Middle East. Qatar's increasing focus on LNG investments could see production increase from 77 MTPA in 2024 to 142 MTPA by 2030. These present significant growth opportunities for the business.

The business faces risks from currency and commodity price fluctuation, supply chain disruptions and talent shortage. Geopolitical tensions, including the Red Sea and Russia-Ukraine crises, have intensified commodity price volatility and logistic bottlenecks.

To counter these risks, the business has been steadily diversifying its supply chain, hedging currency and commodity exposures, and increasing its focus on implementing modular solutions.

In the US, suspended oil & gas projects are being revived, with awards expected by FY 2025-26, alongside opportunities in blue hydrogen, ammonia and petrochemicals. In India, upstream firms are increasing O&M outsourcing, while downstream players focus on utility maintenance.

Growing emphasis on energy efficiency and carbon reduction is boosting demand for modular fabrication in CCUS (Carbon Capture, Utilisation & Storage) projects.

To maintain its competitive edge, the business continues to expand collaboration efforts with industrial and energy technology companies. The business continues to strengthen its footprint in the Middle East for specialised services. With a focus on innovation, digitalisation and sustainability, the business remains well-positioned for long-term growth.

Major Achievements

Major Orders Won:

- Ultra-mega offshore contract from Qatar Energy LNG for the North Field Production Sustainability Offshore Compression Project (NFPS COMP 4)
- Order from Oil & Natural Gas Corporation (ONGC) for Daman Upside Development Project-Wellhead Platforms & Pipelines (DUDP-WP), off India's west coast
- Order from ONGC for the eighth phase of Pipeline Replacement Project (PRPVIII Group B) off India's west coast
- Order from Rashtriya Chemicals and Fertilizers Limited (RCF) (a Gol undertaking with Navaratna status), a leading fertilisers and chemicals manufacturing company for License, Engineering, Procurement and Construction (L-EPC) of a 1,200 MTPD (DAP basis) NPK fertiliser plant along with associated utilities and off-site facilities at their Thal unit in Raigad district

Projects Completed:

- Successful decommissioning of offshore facilities for BG Exploration and Production India in the Tapti field, located off India's west coast
- Mechanical completion and Performance Guarantee Test Run (PGTR) of Phase-IIIB LNG Storage Tanks for Petronet LNG Ltd. Dahej LNG Terminal Expansion
- Mechanical completion of 30 jackets, i.e. 10 jackets in Safaniyah, 9 jackets in Safaniyah and Ribyan, and 11 jackets in Safaniyah and Zuluf fields (Saudi Aramco)



Overall view of Cairn Oil & Gas: Upstream Onshore – Gas Processing for Vedanta Limited, Rajasthan

- Mechanical completion achieved in ARBI8 refurbishment project (Saudi Aramco - CRPO-75)
- Offshore jacket fabrication and load-out of (Mcdermott Middle East Inc.) Marjan Increment Program Package-I

Significant Initiatives

Productivity Enhancement

The business continues to implement initiatives aimed at enhancing productivity across operations. The business has reinforced process improvements and lean execution strategies by focusing on streamlining workflows, eliminating redundancies and empowering its workforce. These measures have resulted in reduced turnaround times, improved resource efficiency, a higher overall output and ensuring that projects are delivered within stringent timelines and budgets.

Value Engineering

Value engineering remains a cornerstone of the business strategy, driving cost efficiencies while at the same time maintaining high quality and safety standards. By standardising designs, adopting templatisation, minimising rework and implementing robust surplus management, the business has significantly optimised resource consumption. These practices have facilitated enhanced execution efficiencies, ensured on-time project completion and improved bottom-line performance.

Digitalisation and Automation

The business is investing in advanced digital tools to enhance project execution. 4D visualisation, AI/ML-driven analytics, VR simulations and predictive tools are optimising planning, safety and efficiency. Increased automation across fabrication yards is minimising manual intervention, while Generative AI is set to further improve decision-making and resource allocation.

Smart Procurement

The business is advancing its procurement strategies by integrating smart, data-driven methodologies to enhance cost-effectiveness and supply chain efficiency. The adoption of e-procurement platforms, data analytics for spend optimisation and vendor consolidation initiatives have strengthened supplier relationships and improved cost control. By fostering partnerships and implementing intelligent sourcing mechanisms, the business is ensuring resilient procurement processes that align with project needs and market dynamics.

Outlook

Oil prices remain the key to capital investments in the hydrocarbon sector. OPEC+ production strategies continue to influence market stability and thus investment cycles. Despite near-term price volatility, KSA, the UAE and Qatar continue to invest in offshore oil & gas development.



3D Model of Numaligarh Refinery Limited (NRL), Assam

Significant EPC opportunities are expected to open up in India with ~68 MMTPA of additional refining capacity planned. The government's push to increase the share of natural gas to 15% of the energy mix by 2030 is also expected to drive investments in pipeline infrastructure, LNG terminals and gas-based projects.

The offshore wind industry has grown rapidly, reaching ~80 GW by the end of 2024, clocking 28% CAGR over the past five years. While Europe dominates - led by the UK, Germany, Netherlands and Denmark, Asian markets like India, Taiwan, Vietnam, Japan and South Korea also present growth opportunities for the business.

India's offshore wind energy market has been progressing steadily. Viability Gap Funding (VGF) has been approved to the tune of ₹ 7,450 crore for 1 GW projects in Gujarat and Tamil Nadu. With 4 GW of projects in the pipeline, India's share of the global offshore wind market could reach ~3% by the early 2030s.

Sustainability-driven investments in CCUS (Carbon Capture, Utilisation & Storage) and energy-efficient designs are shaping industry trends. The business is adapting to refinery-petrochemical integration and decarbonisation solutions to maintain competitiveness.

In the Middle East, localisation policies like IKTVA (Saudi Arabia) and ICV (UAE) continue to shape project awards, emphasising local partnerships and regional execution capabilities.

The business remains highly competitive, with participation from European, Korean and Chinese EPC players in bids across the hydrocarbon value chain.

Labour shortage, increasing raw material costs and inflation in general can present challenges to project cost structures. Demand for skilled labour in the Middle East and Southeast Asia has impacted workforce availability. The business has countered these challenges through procurement optimisation, automation and strategic partnerships to ensure cost competitiveness. The business has also enhanced execution efficiency through real-time project monitoring, automation and Advanced Work Packaging (AWP).

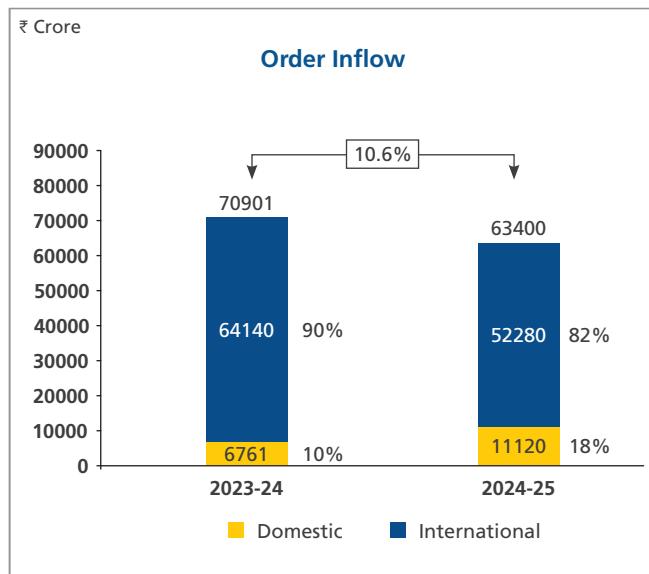
Despite a strong order backlog in FY 2024-25, the business secured a near record-high value of order inflows - in Saudi Arabia and Qatar - thus reinforcing its status as a trusted partner. In India, while ongoing projects set new benchmarks, capacity expansion in refining, petro-chemical and LNG infrastructure present long-term growth opportunities for the business.

Despite prevailing uncertainties, the business maintains a positive outlook on the future of the hydrocarbon sector. With strategic partnerships, digital transformation and sustainability initiatives, the business remains well equipped to navigate industry shifts and drive long-term growth across upstream, midstream and downstream segments.

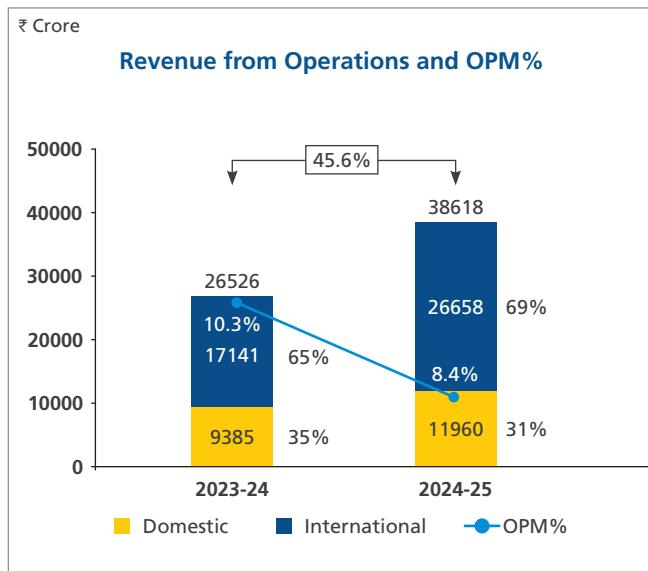


Jafurah Export Pipeline Project for Saudi Aramco, Kingdom of Saudi Arabia

Financial performance of the business



The Hydrocarbon business achieved order inflows of ₹ 63,400 crore in FY 2024-25, registering a decline of 10.6% over the previous year, due to base effect. During the year, business secured its largest ever single value order in Qatar. The share of international orders is 82% in FY 2024-25 compared to 90% in the previous year.



The Hydrocarbon business recorded revenue of ₹ 38,618 crore for the year, registering a growth of 45.6% y-o-y, due to a robust pick-up in execution momentum of a large order book. The share of international revenue in FY 2024-25 was higher at 69% of the total revenue as compared to 65% in the previous year, largely reflective of a robust opening international order book.

The operating margin of the business declined to 8.4% from 10.3%, mainly reflective of stage of execution of the order book.



2x660 MW Tanda Thermal Power Plant, Uttar Pradesh

CarbonLite Solutions Business

Overview

L&T Energy - CarbonLite Solutions (LTECLS), erstwhile L&T Energy - Power, has established itself as a leading EPC player offering turnkey solutions for the BTG (boiler-turbine-generator) island components of coal-based power plants - encompassing design, engineering, procurement, manufacturing, construction and commissioning.

L&T Energy - Power was rechristened to LTECLS in FY 2024-25 as part of L&T's broader shift towards sustainability. The business aims to leverage its existing expertise to develop and deliver solutions for carbon-capture projects, nuclear projects (turbine island) and pumped storage plant turbines. The business shall continue to offer BTG solutions for coal-based power plants within the country to support energy security of India.

The business operates from L&T Knowledge City, Vadodara and has access to integrated state-of-the-art manufacturing facilities at Hazira for ultra-supercritical and supercritical boilers, turbines and generators, pulverisers, axial fans, air preheaters and electrostatic precipitators. The facilities are equipped to deliver equipment aggregating to 4,000 MW.

The business has the following joint venture (JV) companies within its fold:

L&T-MHI Power Boilers Private Limited, a JV with Mitsubishi Heavy Industries (MHI), Japan – the world's leading power equipment maker, for the design,

manufacturing, erection and commissioning of ultra-supercritical / supercritical boilers, up to a rating of 1,000 MW.

L&T-MHI Power Turbine Generators Private Limited, a JV with Mitsubishi Heavy Industries (MHI), Japan and Mitsubishi Electric Corp. (MELCO), Japan for the manufacture of steam turbines and generators (STG) with a capacity ranging from 660 MW to 1,000 MW. The Company is engaged in design, manufacture, erection and commissioning of ultra-supercritical / supercritical turbines and generators.

L&T Howden Private Limited, a JV with Howden Holdings B.V, is in the business of regenerative air preheaters and variable pitch axial fans for power plants.

L&T - Sargent & Lundy Limited, a JV with Sargent & Lundy LLC, USA, is engaged in the business of providing design, engineering and project management services for power projects.

Business Environment

In FY 2024-25, India's peak power demand reached a record high of 250 GW and is projected to reach 458 GW by FY 2031-32.

After a prolonged period of subdued capacity addition, India's coal-based thermal power sector regained momentum in FY 2024-25. During the year, ~20 GW of coal-based power projects were awarded. The Government of India (GoI) has set a target of minimum 80 GW additional coal-based capacity by FY 2031-32.



Boiler manufacturing facility at Hazira, Gujarat

Nuclear power is expected to play a pivotal role in achieving India's energy transition goal of becoming net zero by 2070. To reach this goal, the GoI has set an aspirational plan of setting up 100 GW of nuclear power capacity by 2047 under the *Viksit Bharat* Initiative.

To meet the target of net zero emissions by 2070, the GoI is developing a policy framework for carbon capture projects to curb CO₂ emissions from thermal power plants.

There is a growing need to balance the cyclical nature of renewable power supply to the national grid with enhanced storage capacities. To this end, the GoI, through both the public and private sectors, aims to add ~20 GW of pumped storage hydro power plant capacity over the medium-term.

Major Achievements

Some of the major achievements by the business during the year include:

- Notification of Award (NOA) received for BTG Package from a central utility for a 3x800 MW power project in Bihar
- Limited Notice to Proceed (LNTP) received for BTG package from a central utility for a 2x800 MW power project in Madhya Pradesh
- Commercial operation declared for one unit each in a 2x660 MW and a 3x660 MW power projects in Uttar Pradesh
- Boiler light-up achieved for one unit each in 2x660 MW and 3x660 MW power projects in Bihar and Uttar Pradesh, respectively
- Performance guarantee test completed for two flue gas desulphurisation (FGD) units for central utility projects in Madhya Pradesh and West Bengal

- Completion of facilities for two FGD units for central utility projects in Odisha
- Reliability test run completed for four FGD units for central utility projects in Chhattisgarh, Madhya Pradesh and West Bengal

Significant Initiatives

To improve profitability and on-time execution, the business has introduced various operational excellence initiatives. Digital and analytical levers such as Artificial Intelligence (including Machine Learning), IoT-isation, Immersive Technologies like Virtual Reality, BIM and Drones, Process Automation, Business Intelligence and Analytics are now a part of the day-to-day operations of the business. The goal to achieve excellence in QEHS - Quality, Environment, Health and Safety - remains a core focus area for all businesses under LTECLS umbrella.

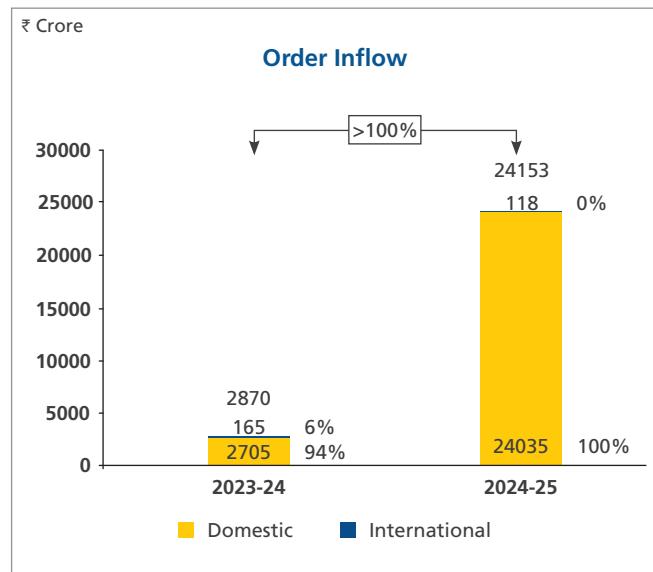
Outlook

India's GDP is expected to grow at a steady pace of ~6.25-6.50% p.a. over the near to medium-term. To sustain this growth momentum, it is imperative to ensure the country's energy security. In order to mitigate the risk of relying solely on renewable sources of energy, India is increasing its coal-based power capacity to ensure a stable and cost-effective source of electricity. It is therefore likely that coal-based power will continue to coexist with other sources of renewable energy for the foreseeable future in India.

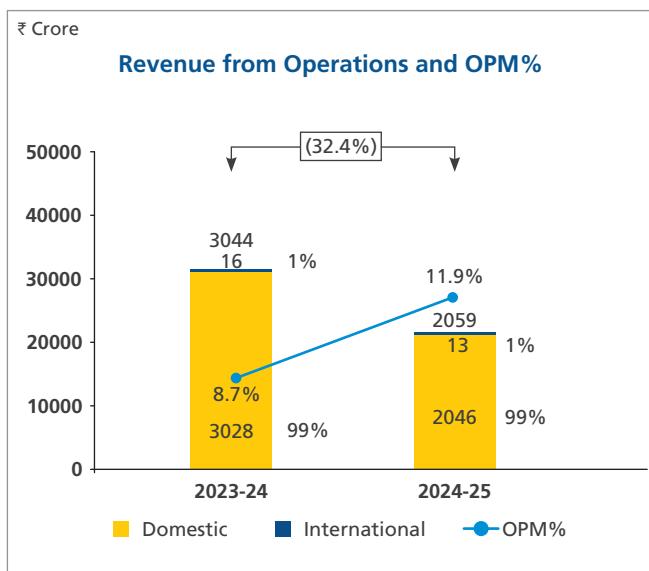


2x660 MW Khargone Thermal Power Plant, Madhya Pradesh (India's first ultra-supercritical power plant)

Financial performance of the business



The CarbonLite Solutions business recorded an order inflow of ₹ 24,153 crore for the year ended March 31, 2025, registering a growth of more than 100% as compared to the previous year, largely aided by the receipt of two BTG orders from a leading thermal power generation company in India.



The CarbonLite Solutions business revenue at ₹ 2,059 crore declined by 32.4% on a y-o-y basis, with tapering of execution of jobs in the portfolio and a lower opening order book.

The operating margin improved to 11.9% from 8.7%, mainly due to a change in job mix.



Green Hydrogen Plant at L&T's A. M. Naik Heavy Engineering Complex in Hazira, Gujarat

L&T Green & Clean Energy Business

Overview

The Green & Clean Energy business reinforces the Group's commitment to a more sustainable future by aligning its business goals, with global decarbonisation efforts. Through the business, the Company is committed to developing a clean energy ecosystem that is integrated, scalable, sustainable and aligned with international energy transition efforts. The Company's Green Energy vision is centred on three business pillars encompassing the Green Energy value chain – EPC, Manufacturing and Development.

Business Model

The business operates across **three principal segments:**

1. EPC (L&T Energy Green Tech Limited – LTEGL)

The EPC division leverages L&T's experience in complex energy infrastructure projects, including gas-to-power (G2P) and combined cycle power plants, based on LNG, NG, liquid fuels. The business is actively pursuing green hydrogen, ammonia (NH₃) and methanol (CH₄) projects by integrating renewable power with hydrogen production, thereby offering turnkey clean energy solutions for domestic and international markets.

2. Manufacturing (L&T Electrolysers Limited – LTEL, a wholly owned subsidiary of LTEGL)

At the core of the Manufacturing vertical is LTEL, a wholly owned subsidiary of LTEGL. LTEL manufactures

modular, high-efficiency pressurised alkaline electrolysers at its state-of-the-art, robotic-enabled factory in Hazira, Gujarat. With an initial capacity of 400 MW, the facility has already achieved over 80% indigenisation, reinforcing the *Aatmanirbhar Bharat* initiative.

3. Development

The Development segment is spearheading the creation of large-scale green hydrogen and derivative assets across India, with plans to develop, own and operate clean energy plants. It integrates upstream renewable sources with downstream hydrogen-based solutions, targeting offtake agreements, partnerships and export opportunities. The business has recently set up a special purpose vehicle company (L&T Green Energy Kandla Private Limited – LTEGK, a wholly owned subsidiary of LTEGL) to pursue the initiatives proposed in the segment.

Business Environment

The green hydrogen ecosystem continues to gain momentum due to its ability to decarbonise hard-to-abate sectors like fertilisers, steel, refining, chemicals and heavy mobility. Despite short-term challenges around cost parity, policy frameworks and infrastructure, the sector saw accelerated investment in 2024 — particularly in Europe and Asia — with strong backing from regulatory programmes like the EU Hydrogen Strategy and Japan / South Korea's transition roadmaps.

In India, the National Green Hydrogen Mission with an outlay of ₹ 20,000 crore aims for 5 MMTPA of annual green hydrogen production capacity by 2030. Programmes like SIGHT are catalysing demand through long-term procurement bids by



India's 1st indigenously developed Electrolyser at A. M. Naik Heavy Engineering Complex, Hazira, Gujarat

public sector oil companies. India's cost-competitive solar and wind potential makes it an attractive hydrogen export hub.

L&T's comprehensive strategy — spanning renewable generation, electrolyser manufacturing, hydrogen production and derivatives — places it in a unique position to unlock value across the entire green energy value chain.

Key Milestones and Achievements

EPC & Development

- PLI award received under the SIGHT programme for 90 kTPA green hydrogen production with maximum allocated incentive of ₹ 300 crore
- First front-end engineering and design (FEED) order for a green ammonia facility executed for a global client
- 500 acres of land acquired in Kandla through auction for project development for setting up of a green hydrogen and its derivative production plant

Electrolyser Manufacturing

- 400 MW annual electrolyser capacity set up at Hazira
- First indigenously manufactured electrolyser dispatched to Deendayal Port Authority (DPA), Kandla
- Fully robotic electrolyser stack assembly line commissioned
- Advanced gas purification systems to achieve 99.999% purity hydrogen

Strategic Initiatives

L&T is undertaking forward and backward integration across the hydrogen value chain:

- Technology partnerships for renewable energy, hydrogen storage, ammonia synthesis, shipping, and port logistics
- Global collaborations to access markets, offtake agreements and secure EPC-technology pipeline with global developers
- Expansion plans to scale electrolyser capacity to gigawatt-level
- R&D through the 'New Energy Technology Lab' focusing on next-generation green technologies

Outlook

The clean energy business expects measured but sustained growth in the green hydrogen and its derivatives space. While the long-term fundamentals remain strong, near-term priorities include:

- Achieving cost competitiveness through scale, technology localisation and backward integration
- Securing bankable offtake contracts to de-risk investments
- Driving policy advocacy for an enabling regulatory environment and low-cost financing mechanisms
- Building scalable manufacturing and integrated development capabilities to address both domestic and global demand

By blending innovation with execution strength, the Green & Clean Energy business is poised to become a leading player in India's energy transformation and an active contributor to the global net zero movement.

HI-TECH MANUFACTURING SEGMENT

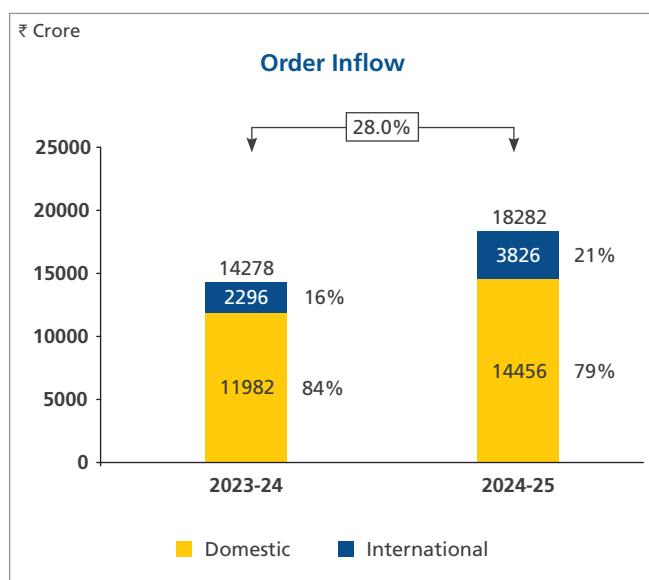


Screw plug Heat Exchanger for ICA FLUOR Daniel, Mexico

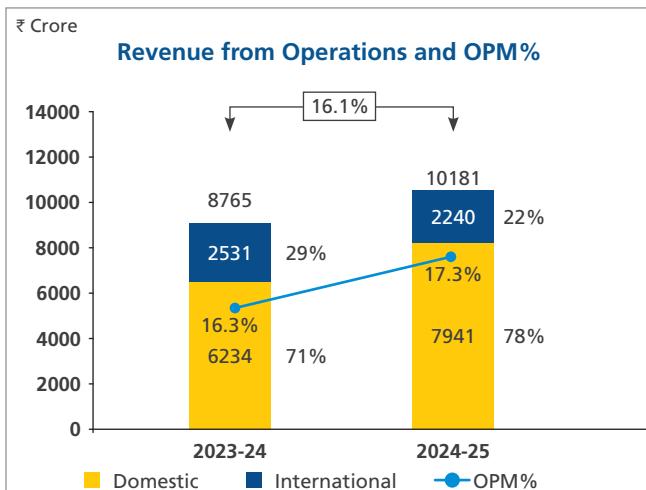
The Hi-Tech Manufacturing segment comprises of:

- Heavy Engineering Business
- Precision Engineering & Systems Business

Financial performance of the segment



The Hi-Tech Manufacturing segment achieved order inflows of ₹ 18,282 crore during FY 2024-25, registering growth of 28.0% over the previous year, mainly on receipt of key orders in Precision Engineering & Systems and Heavy Engineering businesses. The share of international orders increased to 21% in the current year from 16% in FY 2023-24.



The Hi-Tech Manufacturing segment achieved revenue of ₹ 10,181 crore for the year, registering a growth of 16.1% y-o-y due to a pick-up in execution momentum. The share of international revenue in FY 2024-25 was at 22% of the total revenue of the segment as compared to 29% in the previous year, due to tapering of execution in key international jobs nearing completion.

The segment's operating margin improved to 17.3% from 16.3%, mainly due to execution cost savings.

Funds employed by the segment as on March 31, 2025, at ₹ 2,250 crore increased by 66.3% y-o-y, mainly due to acquisition of remaining 26% stake in L&T Special Steels and Heavy Forgings Private Limited (LTSSH) from the Nuclear Power Corporation of India Limited (NPCIL).



*Molten Salt Bath Reactor System with MCC Japan Technology,
IOCL, Dumas, Gujarat*



FCCU Revamp at Nayara Energy, Vadinar, Gujarat

Heavy Engineering Business

Overview

The Heavy Engineering business is a global leader in the manufacturing of engineered-to-order hi-tech reactors and high pressure (HP) and high temperature (HT) heat exchangers for refinery, petrochemicals, fertiliser, oil & gas and nuclear power plant sectors. The business has implemented extensive Industry 4.0 technologies in its manufacturing and operations.

The A. M. Naik Heavy Engineering complex at Hazira is a globally benchmarked state-of-the-art fully integrated, digitally enabled manufacturing complex. The complex consists of in-house engineering and technology centres, manned by highly skilled teams, committed to a safe and sustainable work culture.

The business is organised into the following product business units (PBUs) -

- The **Reactor & Pressure Vessels (RPV)** unit specialises in fabrication of hydro-processing reactors, tubular reactors, gasifiers, ammonia converters, urea reactors, coke drums, fluid catalytic cracking (FCC) reactor – regenerator system, oxidation reactor, titanium cladded equipment, LNG / gas processing pressure vessels and heavy columns.
- The **Heat Transfer Equipment (HTE)** unit specialises in molten salt reactor system, ammonia and urea exchangers, HP screw plug heat exchangers, methanol converters, propylene (PO) reactors, vinyl acetate monomer (VAM) reactors and fired-tube waste heat boiler packages.

- The **Process Plant Internals (PPI)** unit specialises in proprietary internals for reactors and ammonia converter baskets, chemical vapour deposition (CVD) reactors for polysilicon plants involving exotic metallurgy like stainless steel, duplex / super duplex stainless steel, inconel, monel, hastelloy, titanium, zirconium, etc.
- The **Modification, Revamp & Upgrade (MRU)** unit offers value-added end-to-end solutions for multi-disciplinary lumpsum turnkey (LSTK) brownfield revamps such as urea energy saving projects, debottlenecking / capacity enhancement of oil & gas units including multi-shutdown facility revamp, FCC revamps, crude distillation unit / vacuum distillation unit revamps, urea reactor life extension, coke drum critical repairs/replacement, heat exchanger revamp, and emergency repairs for the process plant industry.
- The **Nuclear** business unit specialises in steam generator assemblies (SGA), end shields, pressuriser, calandria, reactor roof slabs, end-fittings, control rod drive mechanisms (CRDMs), SS thermal insulation panels, heat transport systems, fuel transfer equipment, steam separators / mist eliminators, heavy water upgrading columns, exchange unit towers and internals, heat exchangers, high and low level waste storage tanks and special equipment for in-service inspection. It supplies critical components for fusion reactors (ITER), fast breeder reactors and casks / canisters for handling spent fuel and critical equipment for various programmes.



Hydrotreating Reactor for the Antonio Dovali Jaime Refinery at Salina Cruz in Mexico

- The **Special Fabrication Unit (SFU)** fabricates critical titanium piping spools, complex internals for gasification plants, loop reactors, primary quench exchangers (PQE), double pipe heat exchangers for the polysilicon industry, filter vessels and refractory lined reactor regenerator internals for the petrochemicals sector.
- **L&T Special Steels & Heavy Forgings Pvt. Ltd. (LTSSHF)**, a wholly owned subsidiary of L&T from February 2025, operates a state-of-the-art integrated manufacturing facility that provides end-to-end solutions from scrap to finished forgings, all under one roof. The plant utilises advanced technology to produce high-quality heavy forgings for various industries, thereby contributing to India's manufacturing push.

Business Environment

FY 2024-25 presented significant challenges as geopolitical uncertainties and ongoing military conflicts impacted supply chains leading to increased freight costs and longer delivery times. However, the domestic market was robust with strong demand, supportive policies and growth opportunities in select sectors.

New policy initiatives are expected to transform India's nuclear energy sector. The government aims to achieve 100 GW of nuclear power capacity by 2047, with the development of Bharat Small Reactors (BSRs) and Bharat Small Modular Reactors (BSMRs). Proposed amendments to the Atomic Energy Act and the Civil Liability for Nuclear Damage Act aim to facilitate private sector participation,

enabling industries to establish BSRs as captive power plants. This policy shift is expected to stimulate demand for reactor components, specialised materials and skilled labour, thereby bolstering the entire supply chain.

Major Achievements

During the year, the business delivered multiple critical equipment on time, including the world's heaviest ethylene oxide (EO), hydrotreating and high pressure heat exchangers (HP HX) reactors.

Major international orders won:

- 68 equipment for Woodside Louisiana LNG Project, USA
- DHT reactors for Marathon Galveston Bay Refinery, USA
- Imperial Oil Refinery, Canada – first FCC from Canada
- Ceyhan, Turkey – first international loop reactor order

SFU successfully executed filter vessels in KSA and achieved a milestone by securing a record-breaking order to manufacture more than 100 numbers filter vessels within a year. Additionally, SFU has developed expertise in titanium spool fabrication and completed its first bio-refinery site project.

On the domestic business front:

- Secured 17th consecutive urea reactor, reinforcing its position as the industry leader
- Received an order for a urea revamp project, which includes India's longest urea reactor



Steam Generator (SG) for Indigenously developed 10 X 700 MWe Pressurised Heavy Water Reactor, NPCIL

- Made inroads into the specialty chemical market with first ever order from a domestic paints major
- Nuclear business unit has successfully delivered four steam generators for NPCIL's Kaiga 5 & 6 units

Significant Initiatives

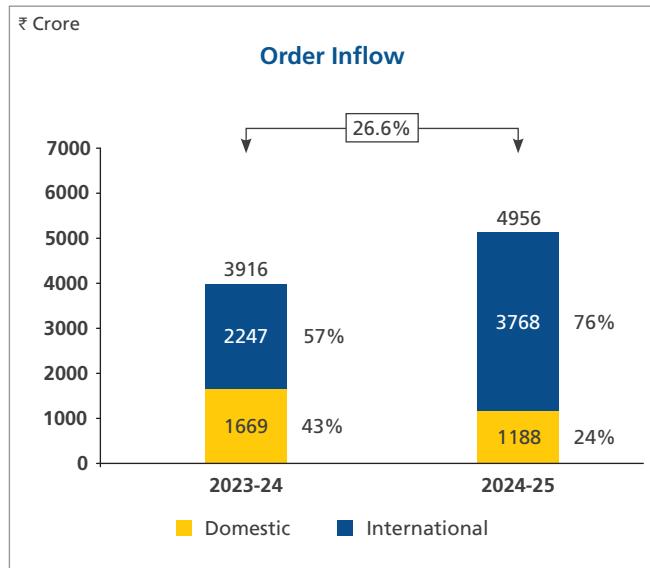
Implemented an end-to-end digital transformation programme - iRUDRA. The programme requires the deployment of five platform solutions namely CRM, IEMQS, Brah-m, IIoT and WFM. These platforms are currently in the adoption and value realisation phase and, when implemented, are expected to improve operational excellence and product quality.

Outlook

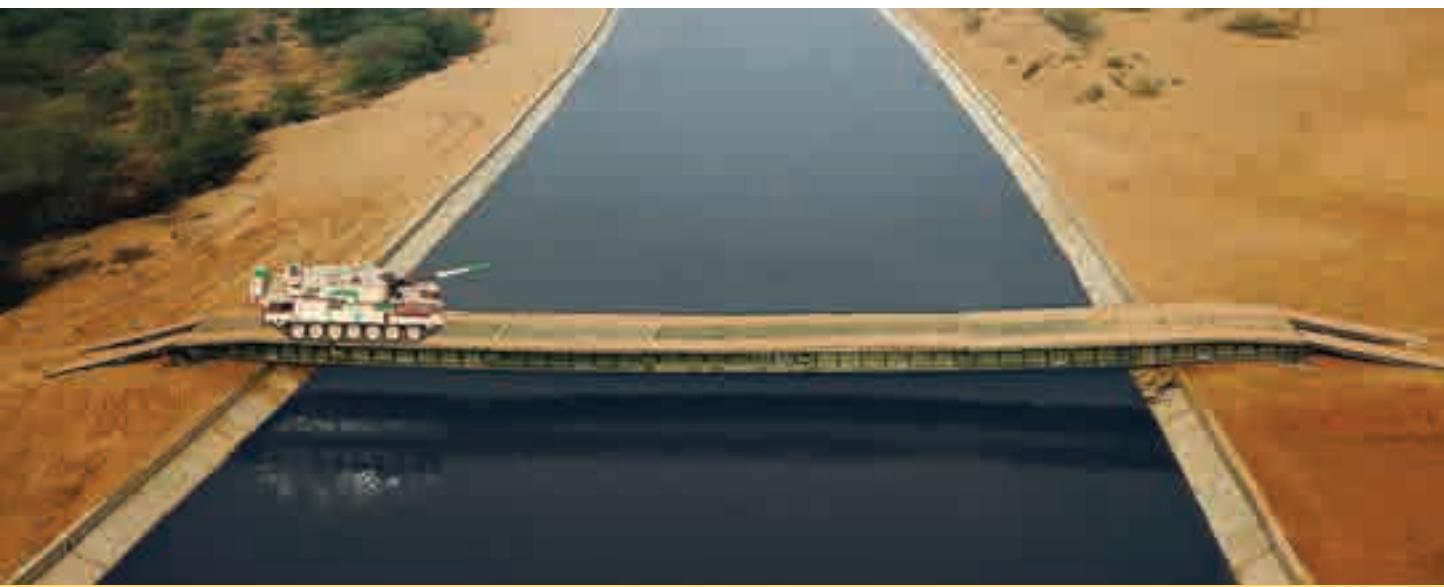
The business remains positive in its outlook for order prospects. The growth in demand for renewable diesel, biodiesel and sustainable aviation fuel is expected to throw up project related opportunities in the near to medium-term. Oil to chemicals projects in Asia and LNG sector projects in the USA and the Middle East could provide future avenues for growth.

The MRU business has established itself as a reliable brownfield contractor in India and the GCC region. Opex spending, oil-to-chemicals, gas-to-chemicals, coal gasification, revamp of ageing fertiliser plants and energy efficiency projects would continue to drive growth for the business.

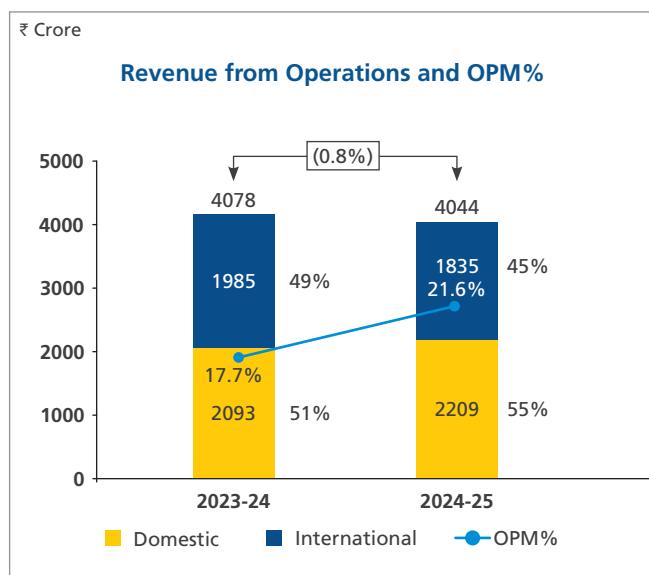
Financial performance of the business



The Heavy Engineering business recorded an order inflow of ₹ 4,956 crore for the year ended March 31, 2025, higher by 26.6% as compared to the previous year, mainly due to the receipt of a high-value international order in the nuclear equipment business. The share of international orders increased to 76% in the current year from 57% in the previous year.



Modular Bridging System



The Heavy Engineering business's revenue of ₹ 4,044 crore has remained steady on a y-o-y basis, given the stage of execution of orders in its order book. The MRU business, however, reported improved execution of orders. The share of revenue from international operations has decreased to 45% compared to 49% in FY 2023-24.

The operating margin of the business improved from 17.7% to 21.6% due to execution cost savings.

Precision Engineering and Systems Business

Overview

L&T made its foray into various strategic sectors, namely nuclear power, aerospace and defence in the sixties, early seventies and mid-eighties, respectively, as part of the Company's focus on building a strong and self-reliant India by leveraging its precision and systems engineering capabilities. This was well ahead of the opening up of these sectors for private industry participation, beginning with defence in 2001 and aerospace in 2020.

During the one and a half decades preceding the opening up of the defence sector for private sector participation, L&T was associated with the Defence Research & Development Organisation (DRDO), while concurrently contributing towards the Indian Navy's - 'A Builders Navy' aspiration, by development of platform-specific equipment and systems across classes of naval platforms with in-country value addition. Today, L&T has a state-of-the-art shipyard capable of building large warships, conventional submarines and critical equipment and systems for these platforms.

In the land systems domain, the business is engaged in design-to-delivery solutions across a host of artillery programmes, air defence programmes, armoured platforms, weapon delivery platforms and combat engineering systems. L&T is a strategic industry partner to the Indian Ministry of Defence. In the space sector, the business continues to



India's indigenous Light Tank 'Zorawar' prototype

be a trusted partner to ISRO across technology streams, i.e. in manufacturing of boosters; manufacturing of a range of metallic and composite hardware for launch vehicles and satellites; establishing ground test facilities on turnkey basis; partnering in developing new manufacturing technologies with various advanced materials; and establishing complete satellite communication infrastructure and other deep space communication systems.

Having built a portfolio of products, systems, platforms and solutions, and correspondingly a basket of technologies, the business provides concept-to-design-to-delivery solutions across chosen segments with a focus on indigenous design and emphasis on creating Indian Intellectual Property (IP).

The business is structured to provide focus to various segments of operations, as under:

- Marine Platforms, Equipment & Systems
- Land Platforms, Equipment & Systems
- Aerospace Systems
- Electronics Products & Systems

Given L&T's capability in defence electronics and leveraging its foray into semiconductor design, the business is further seeking to expand its offerings to cover industrial electronic modules, products and systems in critical sectors like mobility, automation and robotics, power systems and communications.

The business is headquartered at Powai, Mumbai and its operations which extend across India, also include a Technology & Innovation Centre for development of futuristic technologies, Centre of Excellence for Artificial Intelligence, multiple segment-focused Design & Development Centres and the following dedicated Production Centres:

- A. M. Naik Heavy Engineering Complex at Hazira (near Surat) for manufacturing, integration and testing of armoured and allied land platforms, hulls as well as pressure-proof structures for underwater platforms
- Shipyard at Kattupalli (near Chennai) catering to new builds and repair of marine platforms
- Strategic Systems Complex for manufacturing, integration and testing of launch systems, radars, engineering equipment and control systems at Talegaon (near Pune)
- Precision Manufacturing and Systems Complex (PMSC) for aerospace systems and precision products manufacturing, equipped with Centres of Excellence for advanced composites and additive manufacturing at Coimbatore
- Strategic Electronics Centre at Bengaluru

Since its inception, the business has built a portfolio of wide ranging indigenously designed and developed products, systems, solutions, platforms and technologies. The business has indigenously conceptualised, engineered, built and supplied over 250 systems and products, with more than



USNS Charles Drew visit to L&T Shipbuilding's shipyard at Kattupalli, Chennai for Mid-Term Availability (MTA) repairs

50 of them having been delivered in serial production mode. The business model is uniquely differentiated through its focus on in-house technology and product development, innovation for serial production, mature and equated partnerships with domestic as well as global majors, both in the government and in private sector. Besides the supplies, the business offerings also include providing support during installation, commissioning, field evaluation trials, through-life support and obsolescence management. These capabilities enable the business to maintain its market leadership position in the private sector defence industry and be future-ready given the government's push for higher indigenisation and autonomy through the *Aatmanirbhar Bharat Abhiyan*.

L&T's participation in the defence sector stems from its ethos of being a 'Builder to the Nation'. Various sustainability and risk assessors of defence-related businesses do recognise the right of countries to defend themselves and the need to develop and produce defence-related products to fulfil security, peacekeeping and humanitarian needs. This is well acknowledged in the current era of multiple regional conflicts where nations have increased their spending on defence to ensure national security.

It is noteworthy that the business's prime customer and regulator, i.e. the Indian Government, is committed to non-proliferation under the "Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005". India is also a signatory

to the Missile Technology Control Regime (MTCR), a multilateral export control regime, and a party to the Wassenaar Arrangement – a voluntary export control regime that limits the destabilising proliferation of sensitive technologies. Further, India has voluntarily adopted a 'No First Use' (NFU) Policy (PIB notification dated January 4, 2003) that is enshrined in the commitments of the Cabinet Committee on Security (CCS). Further, India's application to join the Nuclear Suppliers Group (NSG) in 2016 is also under discussion. The Company recognises the need to act responsibly in carrying out its business related to the defence sector, implement internal controls and stay committed to respecting human rights.

While maintaining its position as a leading player in the Indian defence sector, **the business does not manufacture any explosives or ammunition of any kind, including cluster munitions or antipersonnel landmines or nuclear weapons or components for such munitions. The business also does not customise any delivery systems for such munitions.**

Business Environment

Traditionally defence production has been dominated by defence public sector undertakings (DPSUs). The sector is now slowly witnessing a gradual shift with increased participation and indigenous capability development by private players, public-private partnerships, start-ups and academia.



Indigenous Water Jet Propulsion (WJP)

Ministry of Defence has declared 2025 as the 'Year of Reforms'. The focus is to lay the foundation for unprecedented advancements in defence preparedness and transforming the Armed Forces into a technologically advanced combat-ready force capable of multi-domain integrated operations. There shall also be a focused intervention in simplifying and fast-tracking acquisition procedures. Towards this, the Defence Acquisition Council (DAC) has also approved guidelines for reducing timelines at various stages of the capital acquisition process to make it faster, more effective and efficient.

From the beginning of 2024 till date, the DAC has accorded approvals for capital acquisition proposals for more than 50 programmes worth close to ₹ 5 trillion, of which more than 90% of the acquisition would be from domestic sources. Few of the key programmes include Future Ready Combat Vehicles (FRCV), Next Gen Fast Patrol Vessels, Offshore Patrol Vessels and Interceptor Boats.

Focusing on new domains, simplification of acquisition procedures, promoting PPP model, a focus on collaboration and fostering of R&D partnerships between Indian industry and foreign OEMs are some of the key steps taken by government to enhance the capabilities of the domestic defence industry. The Government of India has set an ambitious target for defence exports at ₹ 30,000 crore for FY 2025-26 and ₹ 50,000 crore by 2029. The Government has also set a target for domestic defence production at ₹ 1,60,000 crore for FY 2025-26 and ₹ 3,00,000 crore by FY 2028-29.

Global defence supply chains are under significant strain due to ongoing geopolitical conflicts. The Russia-Ukraine conflict has disrupted critical supply routes, particularly in Eastern Europe, affecting the availability of essential materials and components. Additionally, the US's planned tariff imposition is expected to further strain the supply chain. These actions have increased costs for defence contractors and caused delays in production and maintenance.

L&T has focussed on developing a robust and resilient supply chain over the years with self-reliance and in-house design capabilities as the primary focus areas. The business is also in the process of developing and diversifying its supply chain with an emphasis on indigenisation.

On the space front, the opening of the sector in 2020 and the Indian Space Policy 2023 provide opportunities to the private sector for participation in end-to-end space activities from building launch vehicles and satellites to downstream programmes such as space data collection and dissemination. The business is today involved in manufacturing, assembly and integration of launch vehicles for Indian Space Research Organisation (ISRO) and NewSpace India Limited (NSIL).

Major Achievements

During the year, the business has achieved multiple successes, uniquely reaffirming L&T's positioning as a 'Nation-Building' through a series of Make-in-India programmes. These include:

- Award of repeat order for K9 Vajra – T for 100 numbers of guns



K9 Vajra-T, 155 mm, 52-calibre tracked self-propelled artillery platform, codeveloped by L&T and Hanwha Aerospace

- Award of contract for fleet support ships from Hindustan Shipyard Limited
- Award of first supply contract for indigenous designed and developed Next Generation Helo Harnessing & Traversing System (NGHTS) for 11 numbers of Next Generation Offshore Patrol Vessels (NGOPVs)
- Realisation of first Light Tank prototype at L&T Hazira's Armoured Systems Complex. Having carried out the design and development of this advanced platform jointly with DRDO, the Light Tank has been realised in 18 months despite global supply chain challenges
- Successful realisation of 2 sets of indigenous Water Jet Propulsion System (WJPS) under Technology Development Fund (TDF) Scheme and delivery to Mormugao Port Trust (MPT), Goa for user trials
- Breakthrough entry into the traditionally nomination-based Combat Management System (CMS) market and successful realisation of CMS for the Multi-Purpose Vessels in record time
- ISRO's 100th mission (GSLV F15) successfully launched from Sriharikota, Andhra Pradesh on January 29, 2025, with major contributions from L&T in S139 boosters, solar array deployment mechanism (SADM), honey comb deck, umbilical systems and system integration of launch vehicle and satellite
- Empanelment of L&T shipyard as supplier for Royal Australian Navy (RAN) under Defence Maritime Assurance Programme (DMAP) which allows L&T to participate in RAN vessel requirements (except frontline vessels) till August 2029

- New benchmarks established by all work centres in terms of accelerated realisation of systems and equipment (serial production category) by deploying Industry 4.0 techniques

Significant Initiatives

R&D and innovation have been the backbone of the PES business since its inception. Various R&D initiatives in the development of armoured systems, air defence guns, combat vehicles, unmanned medium calibre turrets, high precision radars, underwater and aerial targets, adaptive optics, unmanned and autonomous system technologies and deployment of AI-based solutions have been undertaken during the year.

The business has established its proficiency by leveraging Industry 4.0 practices across its operations. Focussed digital initiatives have accelerated productivity and business excellence.

Outlook

The capital acquisition budget for Defence witnessed an increase of ~4.5% y-o-y (~12.5% increase on revised estimates) for FY 2025-26, resulting in an overall budget of ₹ 1,80,000 crore. Of this, ₹ 1,49,000 crore is planned to be spent on capital acquisition, termed as the armed forces modernisation budget. The remaining ₹ 31,000 crore is for capital expenditure on R&D and creation of military infrastructure.



L&T has provided critical subsystems for most of India's space missions

A sum of ₹ 1,12,000 crore is earmarked for domestic industry, with about 25% of the domestic share provisioned for domestic private industry. About ₹ 15,000 crore (~13% increase y-o-y) from capital procurement budget has been earmarked for R&D projects to strengthen DRDO in developing new technologies and hand holding of private industry through the development-cum-production partner (DcPP) route. This allocation will further facilitate Ministry of Defence's plan to venture into new domains such as cyber and space and emerging technologies such as AI, Machine Learning, Robotics, etc.

The government has budgeted a corpus of ₹ 18,000 crore for the revamped Shipbuilding Financial Assistance Policy (SBFAP 2.0) to optimise cost disadvantages, boost capacity of Indian shipyards and spur domestic shipbuilding production. The intent of SBFAP 2.0 is to provide direct financial subsidies to Indian shipyards.

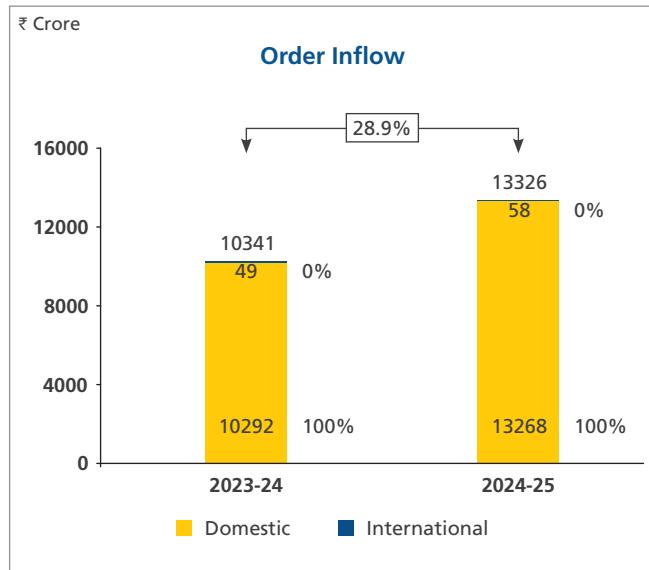
In a pioneering move poised to reshape India's innovation landscape, the government in the Union Budget 2025-26 has allocated ₹ 20,000 crore to the Department of Science and Technology (DST) to initiate a private sector-driven R&D fund.

The business is well poised to leverage the government's thrust on *Aatmanirbharta* and capitalise on opportunities in shipbuilding, artillery equipment, combat engineering equipment, electronic and communication equipment and space technologies in India as well as in the select regional markets.

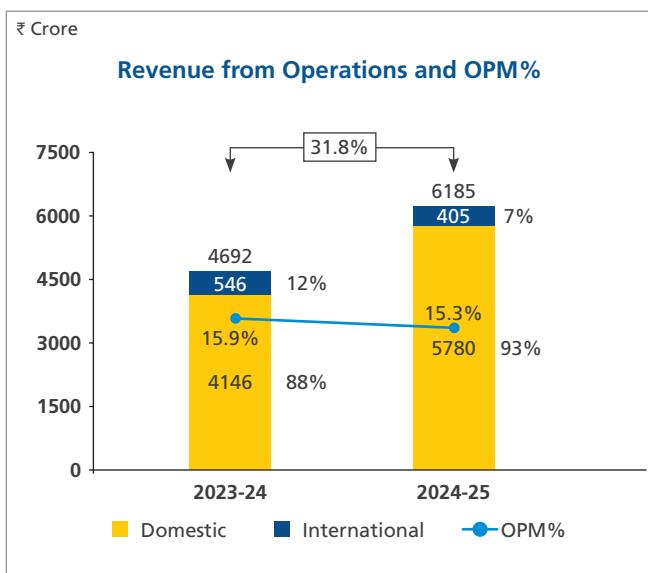


Manoeuvrable Recoverable Aerial Target (MRAT)

Financial performance of the business



The Precision Engineering & Systems business recorded an order inflow of ₹ 13,326 crore, registering a growth of 28.9% y-o-y, mainly due to receipt of K9 Vajra Tank repeat order. No major international orders were received during the year.



Benefitting from a higher opening order book, the Precision Engineering & Systems business earned revenue of ₹ 6,185 crore during FY 2024-25, higher by 31.8% compared to the previous year. The share of international revenues reduced to 7% from 12% in the previous year due to tapering of execution of export orders.

The operating margin is stable at 15.3%.

IT & TECHNOLOGY SERVICES SEGMENT

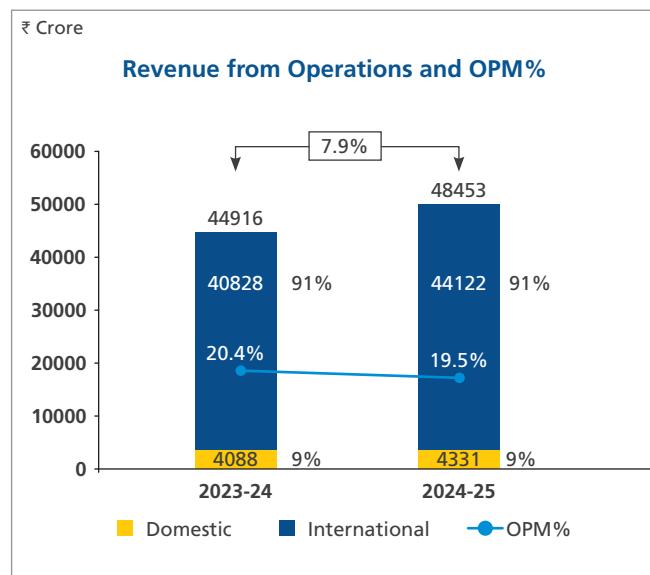


LTIMindtree, Solaris at Hebbal, Bengaluru, Karnataka

The IT & Technology Services segment comprises of:

- LTIMindtree Limited and its subsidiaries
- L&T Technology Services Limited and its subsidiaries
- L&T Semiconductor Technologies Limited and its subsidiary
- E-commerce / Digital Platforms and Data Centers

Financial performance of the segment



The segment recorded revenue of ₹ 48,453 crore for the year ended March 31, 2025, registering a growth of 7.9% over the previous year, largely reflective of the headwinds impacting IT&TS spends across the various markets. International revenue continues to be at 91% of the total revenue of the segment. The newly incubated businesses such as E-Commerce platform, Data Center and Semiconductor businesses are yet to meaningfully contribute to the revenues of the segment.

The segment's operating margin, at 19.5%, is lower compared to 20.4% in the previous year. The decline is due to cost under recovery.

The funds employed by the segment as on March 31, 2025, at ₹ 37,703 crore, increased by 14.1% compared to March 31, 2024, largely due to the acquisition of stake in E2E Networks Limited and higher cash and cash equivalents on the balance sheet.

LTIMindtree Limited

Overview

LTIMindtree Limited (LTIM) is a global technology consulting and digital solutions company that enables enterprises across industries to reimagine business models, accelerate innovation and maximise growth by harnessing digital technologies. As a digital transformation partner to more than 700 clients, LTIMindtree brings extensive domain and technology expertise to help drive superior competitive



LТИMindtree Headquarters, Powai, Mumbai, Maharashtra

differentiation, customer experiences and business outcomes in a converging world. Powered by 84,000+ talented and entrepreneurial professionals across 41 countries, LTIM assists in solving the most complex business challenges and delivers transformation at scale.

Business Verticals

LTIM has a strong presence in the following business verticals:

Travel, Transport, Hospitality, Logistics and Real Estate

LTIM enables the world's leading companies, from sectors like airline, hotel, restaurant, cruise line, car rental, travel technology, travel management, logistics and real estate, to accelerate their growth and drive operational excellence. LTIM develops modern mobile and web applications that enable digital marketing and sales, provide actionable insights to enhance customer experience, improve employee productivity and modernise legacy infrastructure and applications by leveraging strategic partnerships. With more than two decades of experience in working with marquee brands, LTIM delivers seamless and connected digital experiences for its clients.

Public Services

This vertical enables federal, state and municipal governments to unlock the true potential of technology and digital aids, helping them to transform their service delivery to meet the evolving needs of citizens.

Manufacturing

This vertical is the trusted partner, reimagining the future of manufacturing for over 150 manufacturers globally. LTIM caters to a wide range of manufacturing enterprises across industrial manufacturing, automotive, aerospace, EPC and process manufacturing verticals. It helps global brands to gain a competitive edge by leveraging digital transformation capabilities across the manufacturing value chain, front-end (sales, marketing, commerce and commercial) and back-office functions (procurement, manufacturing and supply chain).

Healthcare

LTIM has delivered transformative consulting services and technology solutions to global healthcare giants including life sciences, pharmaceuticals, medical devices and hospitals. Combining domain expertise with advanced digital, cloud, data and enterprise technology, LTIM brings a unique healthcare platform operations approach to assist clients to adopt processes and technologies quickly and efficiently.

Life Sciences

LTIM is transforming the life sciences industry, by fostering collaboration that enhances healthcare accessibility and affordability while propelling personalised medicine and patient-centric care journeys. LTIM's digital and technology-enabled solutions assist clients to drive precision medicine, achieve early diagnosis, innovate therapeutics and medical devices, across the life sciences spectrum.



Reception Lobby at LTIMindtree, Solaris, at Hebbal, Bengaluru, Karnataka

Energy

LTIM delivers a comprehensive set of next-generation solutions that are designed for the complete energy value chain across upstream, midstream and downstream, oil-field services and renewables segments. LTIM also helps to monitor, track, account and report carbon footprint, and assist in trading carbon credits through holistic emissions management, decarbonisation of operations and expansion into renewables.

Utilities

LTIM has experience in helping electric, gas and water utility firms to reinvent themselves by seamlessly connecting the physical and digital worlds through comprehensive IT/OT capabilities. LTIM's vision is aimed at addressing transformational challenges such as distributed energy resources, grid modernisation, production asset management, T&D network operations, EV infrastructure, customer experience and energy transition.

Retail and Consumer Packaged Goods

LTIM delivers personalised experiences at scale to the world's largest consumer packaged goods (CPG) companies and brands. LTIM also assists CPG and retail clients to navigate competition and margin pressures, global supply chain disruptions and shifting consumer loyalties. LTIM's 6,500+ global associates drive transformation by designing innovative 'phygital' experiences, modernising legacy applications and infrastructure through cloud adoption and accelerating automation to enhance decision making.

Insurance

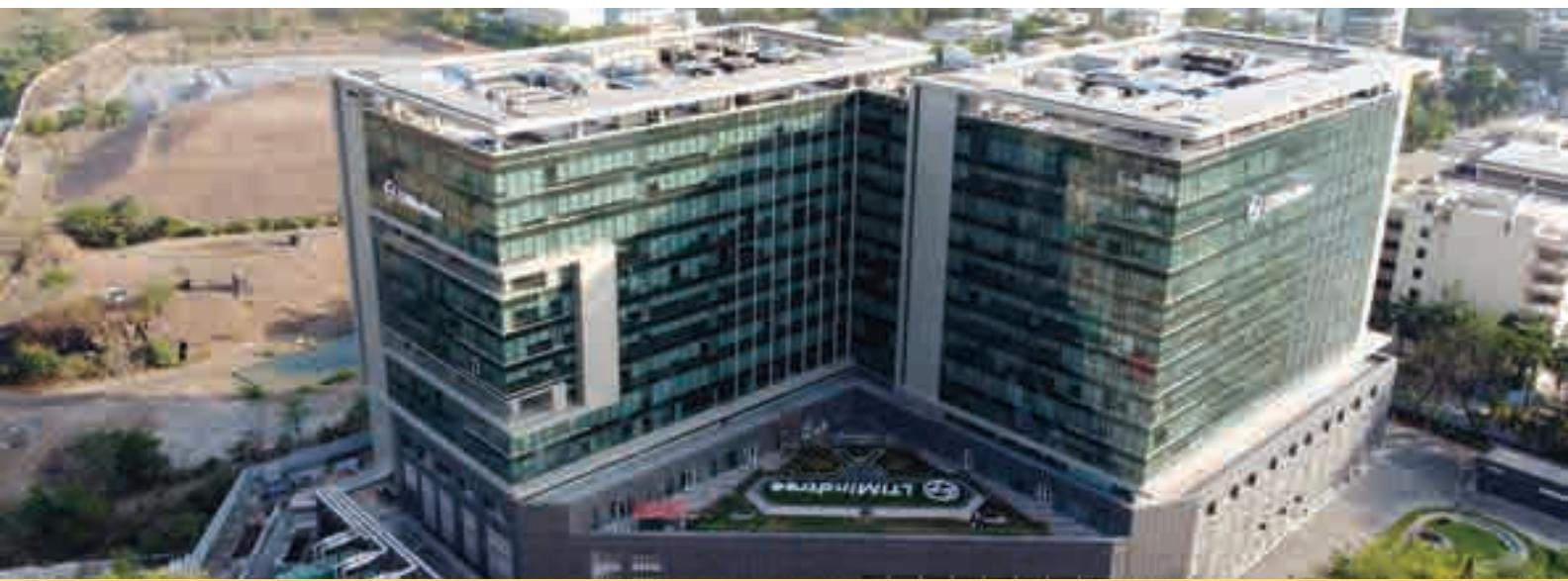
LTIM has been the partner of choice for the insurance industry, including 17 Fortune 500 insurers, supporting their digital and data transformation journeys. LTIM offers AI-Smart domain solutions that enable new business models, profitable growth, operational efficiencies and elevated experiences for agents and customers. With a strong ecosystem of partners, including hyperscalers, AI / data cloud platforms and leading insurance SaaS providers, the company has developed pre-built 'leapfrog' solutions to accelerate clients' journey towards modern, AI- and data-driven platforms and operations.

Banking and Financial Services

LTIM offers a comprehensive suite of services addressing the unique challenges faced by banks and financial institutions. Collectively called banking and financial services (BFS), the services offered by this vertical include solutions covering management and enhancement of customer experience, digital banking solutions and risk management. LTIM BFS empowers clients to stay ahead in a competitive landscape by leveraging analytics, AI, cloud computing and cybersecurity, which help to drive growth, optimise operations and deliver exceptional value to their customers.

Communications, Media and Entertainment

This vertical works with the world's leading broadcasters, studios, OTT/streaming companies, publishers, information service providers, education, music, gaming, AdTech, telcos and multiple-system operators. Rapid changes in



LTIMindtree's state-of-the-art campus at Mahape, Navi Mumbai, Maharashtra

these industries provide an opportunity to unlock multiple opportunities with digital initiatives and AI. LTIM is enabling its clients with product innovation to drive new revenue streams, modernise content supply chains and personalise viewer/audience experiences. LTIM's 5C (Content, Consumer, Commerce, Compliance and Core) framework, coupled with AI-powered platform 'Mediacube', is helping clients in their transformation initiatives.

Hi-Tech and Services

LTIM powers innovation to leading hi-tech and services enterprises across various sub-segments with an AI pivot: semiconductors, software and platforms, hardware and OEMs, and professional services. LTIM combines domain knowledge, customer experience and digital engineering prowess to deliver next-generation technology solutions and products catering to the industry's needs. LTIM's 'Operate to Transform' framework, built using AI-based automation and IPs, enables it to deliver next-gen IT solutions to clients within this space.

Service Lines

LTIM has offerings across the following service lines:

- Data and Analytics
- Cloud and Digital Infrastructure
- Cybersecurity
- SAP
- Interactive
- Salesforce
- Enterprise AI

- Digital Engineering
- Consulting
- Quality Engineering Services
- iNXT
- iNXT Geospatial Engineering
- Platform Operations
- Enterprise Automation
- Low Code Integration
- Enterprise Cloud Applications
- Oracle

Alliances and Partnerships

LTIM's strong partner ecosystem has enabled it to deliver substantial value for its clients by building and executing joint Go-to-Market strategies. The company partners a diverse set of global tech majors in Data Analytics & GenAI, Cloud & Infrastructure, Interactive, Digital Engineering, Low Code & Integration, Security, and more.

LTIM has signed exclusive Strategic Partnership Agreements (SPA) with all three hyperscalers: GCP, Microsoft and AWS. During the year, LTIM invested extensively in building cutting-edge solutions with partners tailored to evolving industry needs, while also differentiating itself by acquiring and retaining over 27 specialisations. LTIM continues to collaborate with partners to create value through execution of joint GTM strategies, co-innovation, co-selling and driving joint demand generation initiatives.



LTIMindtree Global Village, Bengaluru, Karnataka

Business Environment

The global business environment is expected to be uncertain going into FY 2025-26. The full impact of the recent US tariff announcements, on trade flows in general and on businesses in particular, will be difficult to ascertain in the near term. The uncertainties around policies may impact corporate investment and consumer confidence.

India's economy continues to demonstrate growth momentum and remains one of the fastest growing major economies. Despite global economic headwinds, India's growth trajectory remains robust, driven by strong domestic demand, sustained public infrastructure investment and a resilient service sector.

In FY 2024-25, the Indian IT industry's revenues are expected to reach USD 283 billion (5.1% y-o-y), while exports are projected to be ~USD 224 billion (4.6% y-o-y).

Key Deals Won:

- A US-based insurance and retirement corporate has selected LTIM as their partner for development and support in the Life & New Business area. This includes accountability for managing 100+ apps in the new business portfolio.
- A US-based non-profit organisation has entrusted LTIM with an Infrastructure & Cybersecurity Managed Services contract. This involves migration of Data Center to Cloud along with implementation and management of security and infrastructure tools.
- A large global financial institution has partnered with LTIM to modernise its wealth data platform.
- A leading US-based energy utility company has selected LTIM as a long-term strategic partner for Infrastructure & Cloud Managed Services across multiple towers - Enterprise Systems, End User Computing, Offshore Network Operations Centre (NOC) and Off-hours Service Desk.



LTIMindtree's state-of-the-art Delivery Centre in Johannesburg, South Africa

- A leading European automobile major has selected LTIM for supporting its end-to-end Enterprise Application Operations through delivery teams across Poland and Germany.
- A global manufacturer has selected LTIM to manage its end-to-end IT landscape using LTIMindtree's 'AI in Operations' platform.
- A leading global designer and manufacturer of electric domestic appliances has selected LTIM as their anchor partner to deliver Quality Assurance Services.
- A major US airline selected LTIM to provide Platform Engineering & Operations Services, leveraging its global delivery footprint in the US, UK, Poland and Australia.

Significant Initiatives

- Across internal business functions, LTIM kickstarted the Generative AI transformation initiative and implemented 25+ key use cases that improved employee experience, enhanced functional efficiency and drove employee productivity.
- The company has implemented SAP Business Technology Platform (BTP) solutions to significantly reduce manual efforts in key HR processes.

Outlook

The NASSCOM Annual Enterprise CXO Survey 2025 highlights a shift towards AI-driven digital transformation, with organisations increasingly consolidating technology investments into high-impact use cases expected to define the next five years.

LTIM is excited about the expanded possibilities that lie in near to medium-term. With AI at the core of the company's strategy, a commitment to operational excellence and a focus on empowering its people, LTIM is well-positioned to lead the way in the global technology ecosystem.



LTTS Bangalore Office, Karnataka

L&T Technology Services

Overview

L&T Technology Services Limited (LTTS) is a global leader in Engineering Research and Development (ER&D) services. LTTS operates in more than 25 countries, with an annual revenue of over USD 1.25 billion. Being able to design, develop and deliver transformative products and services, LTTS offers bespoke solutions, drives innovation and helps its diverse global clientele achieve their goals. LTTS partners with some of the world's leading brands across various industries in their pursuit of superior operational efficiency in areas of mobility, sustainability and tech.

Headquartered in India, LTTS has over 24,250 employees spread across 23 global design centres, 30 global sales offices and 108 innovation laboratories as of March 31, 2025. Its global footprint covers more than 25 countries across all key geographies.

The company offers end-to-end consultancy, design, development and testing across product and process life-cycles. LTTS leverages its deep multi-domain expertise across software and digital engineering, embedded systems, engineering analytics and plant engineering to create transformative value propositions for clients globally.

LTTS bridges the gap between engineering and technology to create innovative solutions, turning bold ideas into real-world solutions – from smart, connected devices to next-gen factories that operate more efficiently and sustainably. LTTS's deep domain expertise, combined with a passion for innovation, allows it to deliver results that set new standards for excellence.

LTTS offers its services to customers across three key segments:

- Mobility
- Sustainability
- Tech

Mobility

This segment focusses on innovation across the transportation landscape. Leveraging cutting-edge technical knowledge, unmatched engineering expertise and world-class talent in combination with extensive domain experience, LTTS cross-pollinates ideas and solutions for meeting the evolving market needs of clients. The company develops and delivers innovative products and solutions, tackles complex engineering challenges, redefines consumer experiences and helps improve passenger safety across its focus sub-segments of automotive, aerospace engineering, rail transportation and trucks / off-highway vehicles.



LTTS at Knowledge City Vadodara, Gujarat

Sustainability

LTTS leverages its decades worth of unmatched ER&D excellence and expertise within Discrete Manufacturing and Industrial Products, as well as Process Manufacturing, and achieve IT-OT synergies as well as develop cross-domain insights and skillsets in its global operations. Combined with an ability for rapid adoption, this enables the creation of cutting-edge, scalable and sustainable solutions that have a positive impact on businesses, communities and the environment.

Tech

Amidst rising demand for complex software products across a rapidly expanding, high-performance connected device ecosystem, growing regulatory compliance requirements and accelerated cybersecurity threats, LTTS works with global companies to focus on creating differentiated experiences. Leveraging its unmatched AI expertise (with more than 190 patents filed in AI and GenAI), a demonstrated history of engineering excellence and deep cross-vertical capabilities to deliver tangible outcomes, LTTS enables accelerated product launches and reliable life-cycle management journeys for its clients across hi-tech, medtech, public infrastructure and smart cities, and software and platforms.

Business Environment

The BCG-NASSCOM Engineering Research and Development (ER&D) report expects the global ER&D industry to grow at a 9% CAGR between now and 2030. This momentum is being led by growth in software and allied offerings including Software-Defined Everything (SDx), rise in demand for telecommunications and portfolio expansion in the semiconductor domain.

The automotive sector, for instance, is undergoing a significant shift with a predicted surge in electric vehicle (EV) sales, anticipated to make up 25-30% of the global automotive market by 2030. LTTS is strongly positioned through its expertise in developing next-gen EV platforms, autonomous driving solutions and smart manufacturing systems. Additionally, industries like aerospace and industrials are focusing on digital twin technologies, IoT implementation and automation to streamline operations, i.e. areas where the company has established deep competencies and capabilities.

Macroeconomic challenges such as cost pressures, sustained geopolitical instability and growing localised regulations on data sharing and technology export may continue to pose a challenge. LTTS also faces intense competition as global ER&D spend patterns are fractured and distributed across multiple geographies.



LTTS Mysuru, Karnataka

However, the company's commitment to a sustainability-focused, technology-led approach and sustained investments in AI/ML-driven innovation aligns perfectly with its clients' increasing demand for green solutions and digital reinvention.

Major Achievements

Driven by its 'Go Deeper to Scale' strategy, LTTS closed several large deal wins throughout the year, including a marquee USD 80 million net new engagement in the sustainability segment. Further, the list of achievements includes three USD 50 to 80 million, five USD 30 to 50 million and ten USD 15 to 25 million deal wins across segments.

Key Deals Won:

Mobility

- Multi-year engagement with a Tier 1 European automotive customer to restructure their delivery models and ensure streamlined programme ownership
- Enabling control systems, software development and verification & validation for a leading US construction and engineering equipment manufacturer
- Providing engineering design services and supporting the automotive customer's product development team

Sustainability

- Establishing a dedicated Centre of Excellence (CoE) in India to act as a global innovation hub with a focus on digital transformation and comprehensive product life-cycle management (PLM) journey

- A multi-year, multi-million-dollar programme with one of the world's largest energy companies to provide a comprehensive range of Engineering, Procurement and Construction Management (EPCM) services, including Integrated Digital Engineering and Data Governance for Capital Projects
- Providing software engineering, embedded design and design services leveraging global delivery models for a leading oilfield services firm

Tech

- Selected by a global healthcare technology leader to deploy an engineering team for post-market surveillance covering corrective and preventive actions (CAPA), remediation, complaint handling and QMS projects, besides being named as Global Designate Supplier for engineering and R&D programmes across all business units worldwide
- Strategic partner for a global network provider to deliver product integration services for the North American market
- Providing global carrier-testing services and verification processes for one of the world's leading technology majors

Competitive Positioning

During FY 2024-25, LTTS continued to leverage its 'Go Deeper to Scale' strategy for an unmatched competitive edge in the ER&D services domain. The company's robust financial performance and strategic initiatives earned high praise from leading analysts and industry bodies.



LTTS Tear Down Lab

- The Everest Group featured LTTS among the Top 3 Global pure-play Engineering Services in Everest Group's Engineering Services Top 50 rankings and rated the company as one of the leaders in the Connected Product Engineering Services PEAK Matrix® Assessment 2024 in Embedded Engineering.
- LTTS was recognised as one of the market leaders in the 2024 HFS Horizons Report for IoT Service Providers, excelling in comprehensive strategies, global reach, technology partnerships and transformative solutions.
- Zinnov rated LTTS as a Leader in Digital Engineering and ER&D Services 2024 for Overall ER&D, Digital Engineering Services, Medical Devices, Industry 4.0 and Industrial.

As of March 31, 2025, LTTS boasted an impressive portfolio of 1,502 patents filed, with 190 patents in AI and GenAI alone. The company launched the NVIDIA AI Experience Zone at its Bengaluru design hub to elevate AI capabilities for clients in mobility and tech, underscoring a continued commitment to innovation and collaborative development. Internal R&D programmes are underway on Agentic AI, an autonomous system aimed at enabling automation, autonomous operations and enhancing decision-making across domains.

Significant Initiatives

The key initiatives launched by LTTS during the year include:

- TECHgium®, India's largest innovation platform for engineering students, now in its 7th edition, with more than 36,765 students participating from 503 engineering institutes across the country
- A state-of-the-art CoE campus to bolster engineering support for Airbus' aircraft structural simulation activities across its diverse business units in Europe, spanning France, Germany, the UK and Spain
- Partnerships with NMICPS TiHAN Foundation, IIT Hyderabad, for fostering industry-academia advancements in the domains of Advanced Driver Assistance Systems (ADAS) and Cellular Vehicle-to-Everything (CV2X) communication
- MoU with PST, a wholly owned subsidiary of Union Pacific Railroad, to enhance the safety and efficiency of railroads in India and adjacent markets through world-class simulation technology
- Joint digital twin CoE with Altair to accelerate digital transformation and deliver cutting-edge capabilities for clients worldwide, enabling premier solutions for enhanced innovation and efficiency
- India's first integrated state-level Cyber Command and Control Centre at Mahape, in collaboration with the Maharashtra State Cyber Department, as a decisive step towards creating a secure and robust digital environment
- Strengthening the decade-long partnership with Siemens across the existing CoE and a new Digital Manufacturing Academy



LTTS Electric Vehicle Lab

Risk Management Framework

The company's risk management approach is strategically placed to function independently in line with best-in-class corporate governance principles and statutory requirements in alignment with globally accepted risk management frameworks.

LTTS's risk management programme is aligned with business strategy and embedded in the normal course of business across the company under the guidance of the Risk Management Committee (RMC) of the Board. The programme enables proactive identification and mitigation of enterprise risks, supporting informed decision-making, sustainable growth and value creation. The Chief Risk Officer oversees risk management programme and is supported by the Enterprise Risk Management (ERM) team.

LTTS's risk management framework includes the following risk categories:

- Strategic: Risk events that make it difficult to achieve strategic objectives and goals
- Operational: Operational challenges faced by business teams in regular course of business
- Financial: Inefficient utilisation of financial resources, currency fluctuations, credit risk, etc.
- Compliance: Potential risk of non-compliance with laws and regulations

For the effective functioning of the risk management programme, risk assessments are conducted at various levels, including enterprise, business unit, customer account and project levels. Key risks are presented to the senior

management including the CEO, the CFO and the relevant Board Committees such as Audit Committee and Risk Management Committee.

Outlook

LTTS continues to leverage its proven expertise in engineering and digital innovation for driving a robust growth trajectory in the coming year. With ongoing investments in high-potential areas including Agentic AI, LTTS is well-positioned to lead the global ER&D market. The focus continues to remain on key growth segments of mobility, sustainability and tech, powered by its 'Go Deeper to Scale' strategy and the momentum generated by the accelerated emergence of breakthrough technologies.

LTTS's acquisition of Intelliswift Inc and its subsidiaries in Q3 FY 2024-25 underscores its commitment to expanding software and digital engineering capabilities. The move not only strengthens its foothold in hyperscaler segments but also marks its entry into service-led sectors such as retail, fintech and healthcare. The integration of this acquisition has already shown results with the creation of a new Software & Platforms segment designed to address the growing demand for innovative software solutions.

With the continued growth in demand for digital transformation initiatives, combined with a growing focus on sustainability and innovation, LTTS is well poised to capitalise on emerging opportunities. Aligned with its commitment towards client-centric innovation and engineering excellence, the company continues to foster technology-driven transformation across industries worldwide.



Semiconductor Experience Centre

L&T Semiconductor Technologies

Overview

L&T Semiconductor Technologies Limited (LTSCT) was incorporated in November 2023. The company is a wholly owned subsidiary of L&T and was formed to spearhead the Group's foray into the semiconductor domain. LTSCT aspires to be the first Indian fabless semiconductor product company with a focus on designing and delivering smart semiconductor devices for the global market.

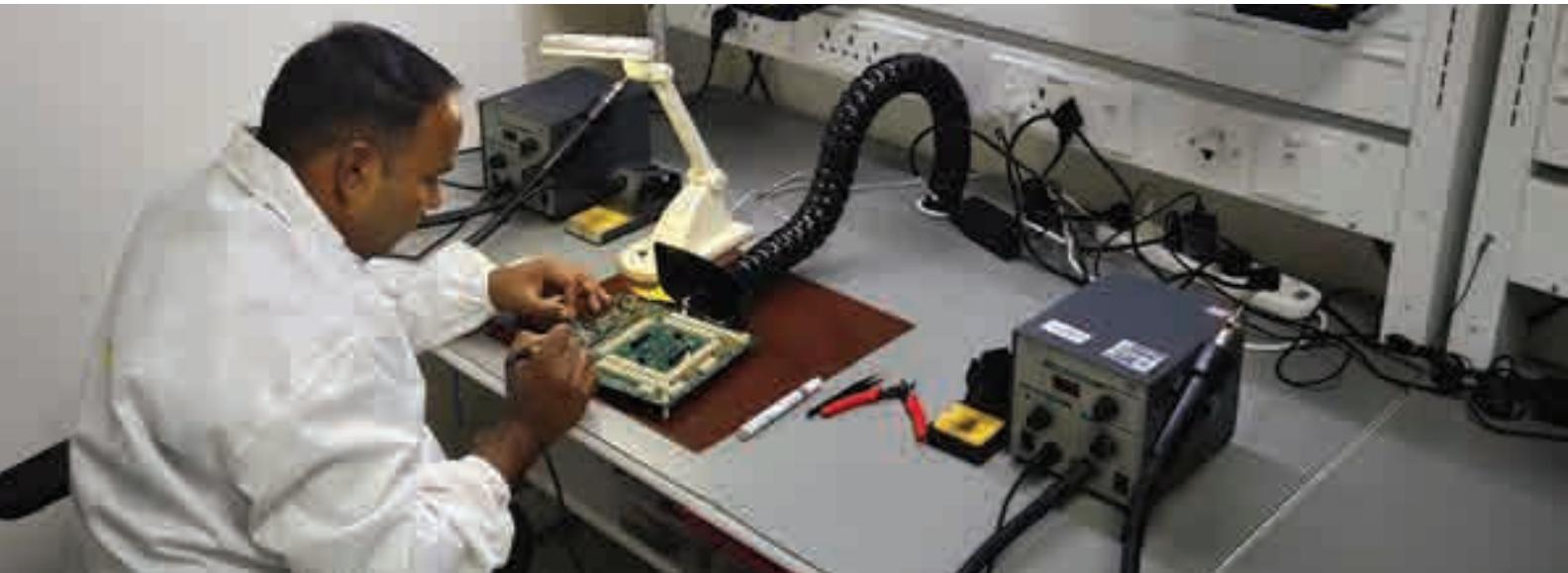
LTSCT has built a high-impact team of more than 350+ professionals located across the globe, focussing on innovation, cutting-edge R&D, world-class operations and sales and marketing. With presence in the US, Europe, Japan, India & Taiwan, this growing talent pool forms the backbone of LTSCT's mission to lead from the front in the global semiconductor landscape.

LTSCT is committed to drive the next-generation technologies in the areas of decarbonisation, digitalisation and technological self-reliance. The company is focused on providing smart, energy-efficient, high-performance systems to address customers' specific needs or gaps identified in the market.

LTSCT is focussed on delivering differentiated value through intelligent features and system-level innovation. Based on this customer-led approach, LTSCT is organised across four

business units, supported by common R&D, operations and other support functions:

- Mobility Business – The unit focusses on applications across vehicle safety, vehicle propulsion and in-cabin experience. Each of these applications is planned to be addressed by identified initial products – body and zonal control, on-board charging, intelligent parking, traction control, compute system-on-chip (SoC), battery management, etc.
- Industrial Business – This unit addresses diverse applications such as robotics, control systems, HVAC systems, security applications, power tools, and more. The business intends to develop products that find use-cases across a majority of these applications.
- Energy Business – This unit addresses applications across power generation, transmission, distribution and energy storage systems. Target applications range across battery management systems, data centers, inverters and converters for solar and wind generation, as well as for UPS and EV chargers. The roadmap products include IGBT and SiC high-power modules, power management ICs, battery management ICs, FET drivers and GaN-based solutions.
- Application Solutions Business – This unit focuses on development of IC modules for automotive and industrial applications requiring cellular connectivity, embedded software and software-defined vehicles.


L&T Semiconductor Lab

Business Environment

The global semiconductor market has exhibited significant growth in recent years and is projected to continue this upward trajectory driven by increasing demand across sectors such as AI, automotive and consumer electronics. Forecasts indicate that the market will grow at a CAGR of ~15% during the 2025-2032 period. The Indian semiconductor market is also expected to double by 2030.

Automotive Sector

The automotive industry is undergoing a rapid transformation. Semiconductors play a pivotal role in enabling energy-efficient, intelligent and software-defined mobility. From EV propulsion to smart, software-driven experiences, semiconductors are enabling safer, cleaner and better-connected mobility.

With the evolution towards software-defined vehicles, continuous over-the-air (OTA) updates, AI-enabled functions and cloud connectivity, semiconductors are now central to vehicle design and performance. OEMs are investing in power-efficient architectures to extend vehicle range and improve system-level energy usage. This includes the use of advanced semiconductors in traction inverters, charging solutions, battery management and converters.

Energy Sector

The global energy landscape is undergoing a fundamental shift driven by the growing integration of energy sources. Semiconductors are playing a transformative role in enabling this transition, offering performance, efficiency and

intelligence. Smart grid development for efficient energy distribution and integration relies heavily on semiconductors for real-time monitoring, communication and controls across generation, transmission and distribution networks. Advanced microcontrollers, communication and power semiconductors are key enablers of functions like load balancing, outage detection and integration of distributed energy resources.

The rise of renewable energy demands requires robust and efficient power conversion systems. Semiconductors are critical in solar inverters, wind turbine converters and maximum power point tracking (MPPT) systems. These applications require high efficiency switching, thermal stability and the ability to operate in harsh environments. Additionally, energy storage systems that support renewables rely on battery management ICs, gate drivers and control processors.

Industrial, Electronics and Appliances Sector

The global semiconductor market for industrial applications is poised for strong growth with consumer electronics and appliances continuing to be major demand drivers. In parallel, the rise of Industry 4.0 is accelerating semiconductor demand in the industrial sector.

Semiconductors are becoming critical as white goods transition from basic utilities to intelligent, connected systems requiring integration of sensors, connectivity modules and microcontrollers to enable energy optimisation, predictive maintenance and IoT-based automation. This trend is accelerating demand for analog, power management and connectivity ICs across mid-to high-end appliance categories.



LTSCT Products

Major Achievements

In a little more than a year since its inception, LTSCT has emerged as a prominent player in the industry focused on developing a diverse portfolio of semiconductor products.

- Entered into multiple product development agreements with leading customers in key industry segments. Some of the major product development engagements include:
 - BLDC motor controllers being developed for one of India's top OEMs in air conditioners and fans, powering next-generation energy-efficient appliances
 - Camera SoC designed for one of India's largest CCTV manufacturer enabling smarter surveillance and security systems
 - USB-C Power Delivery (PD) solutions to be deployed at scale for a leading automotive customer
 - Cellular IoT module development along with leading global computing company
- Completed the acquisition of SiliConch Systems, a Bangalore-based semiconductor IP company with a portfolio of 60 patents (thereby enhancing LTSCT's capabilities in terms of engineering expertise and design proficiency)
- Established its own state-of-the-art laboratory in Bengaluru, equipped with advanced equipment for development, testing and validation
- With focus on next-generation semiconductor innovation fostering breakthroughs in AI/ML, secure-compute and

connected systems, LTSCT has entered several strategic partnerships:

- Collaboration with IBM for R&D aimed at designing advanced processors (partnership focuses on AI-enabled processors for various applications across mobility, industrial and automotive sectors)
- Partnership with CDAC focusing on creation of 'Make-in-India' solutions, including ICs, SoC designs and ESDM technologies leveraging indigenous processor
- Tie-up with IIT Gandhinagar to create secure ICs and SoCs for India's vital technological infrastructures

Outlook

Geopolitical changes can have a significant impact on the semiconductor industry. To mitigate any adverse impact from these changes, countries are pursuing efforts to secure their own chip supply chain. India stands to benefit from this transition as it emerges as a promising destination for semiconductor design, manufacturing and assembly, supported by government initiatives, a growing talent pool and strong demand from the domestic electronics and automotive segments.

LTSCT is well-positioned to leverage this opportunity by offering end-to-end semiconductor engineering solutions, from chip design to system integration, enabling global players to scale faster while meeting regional compliance and innovation goals.



L&T Edutech, building value for learners, academia and industry

E-commerce / Digital Platforms and Data Centers

This sub-segment mainly includes new-age businesses incubated by the Company, namely L&T EduTech, L&T-SuFin and Data Centers. These ventures are a part of L&T's plan to leverage digital technologies in some of its core domains in order to future-proof them and tap future growth opportunities.

L&T EduTech

L&T EduTech is an EdTech initiative of the Company, providing high-quality hybrid education and skill building assistance for students pursuing higher education as well as for working professionals. This business partners with colleges, universities, corporations, channel partners and government agencies to facilitate skill development in core engineering and IT domains.

L&T EduTech delivers industry-aligned learning and assessment solutions to bridge the skill gap between academia and industry. It leverages the expertise of the Group to provide scalable education and skilling programmes for students, faculty and professionals.

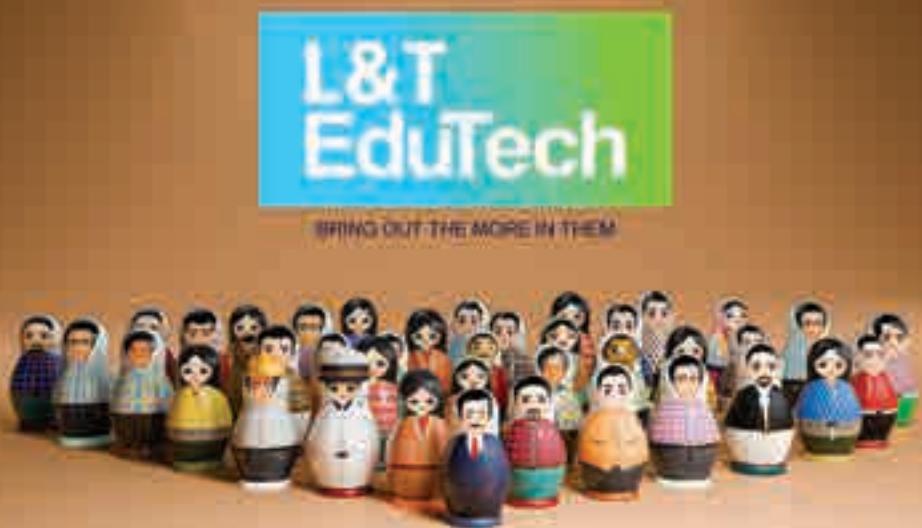
L&T EduTech has developed a robust learning management system (LMS), assessment engine, recruitment automation and skill exchange platform. The business offers a wide

bouquet of learning and assessment solutions with its learning programmes, assessments and certifications, virtual and hands-on laboratories, industry capstone projects, instructor-led training and industry immersion.

The two major verticals of L&T EduTech are as follows:

College Connect: The vertical focusses to narrow the gap between academic learning and practical industry experience. It offers courses in core engineering, information technology, arts and sciences with industry-specific application-oriented knowledge. Aligning to the National Education Policy (NEP) 2020, College Connect offers multi-disciplinary programmes which can be integrated into the college curriculum to replace/add on to the credits required for degree programmes. The business also organises career guidance sessions, conducts regular faculty development programmes and offers industry immersion programmes to deliver superior learning experiences to both teachers and students.

Workonnect: The vertical offers upskilling and reskilling opportunities for corporate employees via several product packages, including .Net, Java, Data Analytics, Cybersecurity, and more. Along with industry-relevant courses, this vertical also focusses on assessments. Further, the robust auto-proctored assessment platform helps organisations in their recruitment process for new talent as well as in developing the existing workforce.



L&T Edutech, building value for learners, academia and industry

Business Environment

The EdTech market in India, currently worth USD 7.5 billion, is driven by rising aspirations, digital expansion and a shift to online learning. Within the EdTech market, the online higher education segment is expected to reach USD 5 billion by 2025, driven by increased adoption of digital learning platforms. While funding has fluctuated, the sector's potential remains high, with hybrid learning models and emerging technologies like AI enhancing education.

The increasing demand for online learning solutions and the growing adoption of technology in education to enhance accessibility and engagement are the key market drivers fuelling the growth of the EdTech Market.

Major Achievements

- Market expansion through partnership with more than 60 colleges and scaling of learner engagement
- Reached more than 1,50,000 worldwide learners on Coursera
- LearnKonnect launched, with orders for 1,00,000 learners; implementing AI-driven career guidance tools, offering microsite-based course experiences and refining the subscription-based learning model to align with user preferences
- More than 10 EV laboratories set up in partner colleges to provide integrated programmes in e-mobility

- Entry into Centre Based Test (CBT) assessments for State Council of Educational Research & Training (SCERT), All India Management Association (AIMA), Federal Bank Limited (FBL)
- Industry Accelerator programmes successfully deployed in 7 institutions (257 students)
- Successfully launched Centre Based Assessment Solution catering to niche assessment requirements of universities and government segments
- LMS Platform - AI-powered chatbots for personalised learning support, gamification elements to boost engagement and adaptive learning pathways tailored to individual users
- Assessment Platform - Upgrading security for question paper generation, integrating biometric authentication and expanding mobile-friendly assessment capabilities

Outlook

India's EdTech market is projected to be valued at USD 29 billion at a CAGR of 27% by 2030. Government initiatives like National Education Policy 2020, *Pradhan Mantri Kaushal Vikas Yojana* (PMKVY) and Digital India are accelerating the adoption of digital education and skilling programmes. The global workforce is shifting towards skill-based hiring, with more employers prioritising skills over degrees.

Demand for AI, data science and cybersecurity courses has surged by 40% y-o-y, reflecting industry hiring trends. Some of these factors provide a positive outlook for the scalability of L&T EduTech in the medium-term.



L&T-SuFin, India's first online business platform for industrial and construction products, integrated with finance and logistics options

L&T-SuFin

L&T-SuFin is a B2B digital marketplace platform. This platform, launched in March 2022, enables buyers and sellers dealing in industrial and construction goods to connect in an efficient and transparent manner. The platform allows sellers to expand sales reach and buyers to find the right products at an optimal cost and quality. The platform offers a wide product range in industrial supplies and consumables, building and construction materials, electrical and electronics equipment, machinery tools and mechanical equipment, packaging, printing and office supplies, and more.

The estimated domestic B2B e-commerce GMV (gross merchandise value) was USD 20 billion in 2024 and is expected to reach USD 200 billion by 2030. The objective of the platform is to bring about scale and speed in supply chains, procurement processes, trade financing and logistics.

Major features offered by L&T-SuFin include:

- Discovery of industrial products and sellers through an efficient digital process
- Competitive pricing through RFQ mechanism and online transaction fulfilment
- Financing support from partner banks and NBFCs
- Logistics support, including free transit insurance

The platform has catalogued more than 7 lakh Stock Keeping Units (SKUs) in 51 categories. Further, the business has onboarded more than 48,000 sellers on the platform and has crossed a GMV of ₹ 5,000 crore, since inception.

The business has taken several new initiatives to catalyse growth and scale up further such as:

- Launched L&T-SuFin Seller Suvidha App, a dedicated platform designed to empower businesses, especially MSMEs, by streamlining the selling process
- Developed a centralised call centre and virtual relationship manager team to cater to the needs of both buyers and sellers
- Monetisation of platform services, via membership fees and premium plans, provided customers with significant value through features such as dedicated microsites and unlimited cataloguing. Additionally, advertising services, both on-platform (ad banners) and off-platform (social media, email, call centre), were implemented to bolster revenue
- Received ISO/IEC 27001:2022 certification for Information Security Management System

In FY 2025-26, the business aims to scale its GMV with a focus on retail and institutional segments. An emphasis on white labeling and financing solutions is expected to be margin accretive. The business plans to enhance operational efficiencies and customer experience through various AI Initiatives.



Hyperscale Data Center, Sriperumbudur, Tamil Nadu

Data Center and Cloud Services Business

Overview

The Data Center business of the Company - branded L&T-Cloudfiniti - offers data center, cloud and AI solutions and managed services.

The business operates state-of-the-art, AI-ready, high-density rack data centers with high availability, robust security and energy-efficient designs. The colocation services offer a scalable and secure environment for hosting critical IT infrastructure, ensuring optimal uptime and compliance with industry standards.

The enterprise-grade public cloud platform of L&T delivers scalable, on-demand computing resources with a strong focus on performance, security and cost optimisation. The business supports various workloads - including AI, ML and analytics - with a flexible pricing model.

Business offerings include design and manage private cloud environments tailored to specific business needs. Solutions offered ensure data sovereignty, compliance and enhanced security while offering seamless integration with existing IT infrastructure. Further, the business also provides GPU-based cloud solutions to power AI, deep learning and high-performance computing workloads. The GPU cloud infrastructure is optimised for AI model training and inferencing, big data analytics, graphics rendering, scientific simulations, and more.

Business Environment

India's data center and cloud market is experiencing rapid growth, driven by digital transformation, rising data consumption, regulatory requirements that necessitate data localisation and government initiatives like Digital India. The increasing adoption of AI, IoT and 5G is fuelling demand for robust cloud and colocation solutions. With hyperscale cloud providers expanding their footprint and local enterprises seeking scalable cloud infrastructure, the industry presents significant growth opportunities. Sustainability and energy efficiency are becoming key focus areas, making green data center strategies more relevant than ever.

The country's data center capacity is expected to surpass 1,700 MW by 2025, with major investments from hyperscale cloud providers and domestic players. Key enablers for this growth include government incentives including India AI mission, submarine cable expansions and a growing ecosystem of AI and cloud-driven start-ups.

Competitive Positioning

The business has strengthened its position in the data center and cloud market through strategic investments, partnership with AI start-ups, integrating renewable power sources, leveraging its engineering expertise, expanding its digital and technology services and investing in sustainable business practices. The Company benefits from the Group's deep infrastructure experience, allows the business to deliver large-scale, high-quality data center projects.



High-Density, AI-Optimised Racks at L&T-Cloudfiniti's Data Center — Built for Performance, Efficiency and Future-Ready Compute Workloads

L&T-Cloudfiniti is also focussed on addressing the growing demands of cloud infrastructure with its partner ecosystem. The integrated solutions offered by the business encompass various services including security and network being expertly managed through its Network Operations Centre (NOC).

Strategic Business Plan

L&T-Cloudfiniti currently operates 14 MW of live data center capacity across two locations: Sriperumbudur, Chennai (Southern Region) and Panvel, Navi Mumbai (Western Region). Capacity of 18 MW data center is in pipeline and is expected to be operational in FY 2025-26.

L&T-Cloudfiniti has also formed a strategic partnership with E2E Networks Limited, a leading Indian hyperscaler focussed on advanced Cloud GPU infrastructure. This collaboration will enhance the businesses capabilities and offerings in the cloud and GPU market.

With the recent AI partnerships, business is now delivering a robust end-to-end AI ecosystem - from infrastructure to services - designed to accelerate real-world impact for enterprises and governments alike.

Outlook

The data center business in India is experiencing significant growth. Mumbai, Chennai, Hyderabad and Bengaluru are emerging as prime locations for data centers due to their robust infrastructure and proximity to undersea cable landing stations and/or high-capacity terrestrial fiber optic networks.

The Government of India's push for data localisation through the Digital Personal Data Protection Act has accelerated the establishment of data centers. Global players including AWS, Microsoft and Google are investing to comply with local regulations.

There is a strong focus on green data centers, with operators investing in renewable energy sources, primarily solar and wind. The growing demand for AI workloads is leading to denser and power-consuming data centers. The average rack density is anticipated to increase significantly. Overall, the data center industry in India is poised for robust growth, driven by technology advancements, policy support and increasing digitalisation across various sectors.

These factors, coupled with L&T's strong presence in infrastructure, IT and technology design services, paves way for the business to position itself as a reliable data center service provider with sustainable practices embedded across the entire life-cycle, from build to steady-state operations.

FINANCIAL SERVICES SEGMENT



Farm Equipment Finance

Overview

L&T Finance Limited ('LTF') is engaged in the business of providing retail financial services. It is a 'AAA' (Domestic) rated Upper Layer Non-Banking Financial Corporation (NBFC) and is among the top tech-focused diversified retail NBFCs in India.

Founded in 1994, LTF completed three decades of successful operations in FY 2024-25, embodying L&T's legacy of trust and excellence. LTF has over the years, serviced close to 2.6 crore customers pan-India, in the rural and urban space.

The company achieved retailisation of 97% with a retail loan book of over ₹ 95,000 crore diversified across rural and urban products. The company's key businesses are divided into: Rural Business Finance, Farmer Finance, Urban Finance and SME Finance.

Rural Business Finance

Rural Group Loans and Micro Finance business (part of the product profile of Rural Business Finance) has empowered ~1.7 crore women entrepreneurs by providing formal credit access through its deep network of over 2,000 meeting centres (branches) in rural areas and over 14,000 on-field workforce. The lending book stood at ₹ 26,320 crore, a growth of 6% y-o-y.

During the year, there have been several challenging macro and business developments, viz. a prolonged heat wave, severe floods in multiple states, a temporary slowdown of cash flow for rural employment schemes due to general

elections, Microfinance Institutions Network's (MFN) 1.0 & 2.0 interventions and the Karnataka Microfinance Ordinance, that led to severe disruptions in growth and collections. Even in this environment, LTF's rural group loans and MFI remained resilient, backed by strong credit guardrails and stringent portfolio monitoring norms, translating to superior collection efficiencies vis-à-vis the industry.

Building on its deep rural expertise, LTF has pivoted towards establishing secured loan propositions. It has established a foothold with the Micro Loan Against Property (LAP) product and ventured into gold loans through proposed purchase of a gold loan portfolio from Paul Merchants Finance Pvt. Ltd. (PMFPL). The proposed gold loan product is expected to be a significant cross-sell proposition to the ~1.7 crore Rural Group Loans and Micro Finance customer database. The Micro LAP product is expected to cater to the financing needs of a niche segment of the rural population, largely against self-occupied property.

Going forward, LTF is expected to leverage its strength in the technology and data analytics space as the sector is expected to start picking up momentum towards the second half of FY 2025-26.

Farmer Finance

LTF is one of the leading tractor financiers in the country, financing about 96,000 new tractor units in FY 2024-25. Backed by strong OEM tie-ups, deep dealer partnerships of over 2,400 and the tailwinds of a good monsoon, the Farmer Finance business book crossed the ₹ 15,000 crore



Two-wheeler Loans

milestone and grew 10% during the year, ending at ₹ 15,219 crore. The business continued its focus on enhancing customer experience with 100% of onboarding systems being paperless. Digital adoption in collections grew to 61% vs 48% a year ago. With a focus on sharpening credit underwriting, a phase-wise rollout of 'Project Cyclops' was launched in FY 2024-25.

This business will continue to focus on strengthening its positioning and gaining market share while expanding its current offerings through innovative product solutions thereby enhancing customer experience.

Urban Finance

□ **Two-wheeler Finance**

The Two-wheeler Finance business in FY 2024-25 moved towards building a prime customer portfolio in the backdrop of a dynamic credit environment despite sectoral headwinds. The company's endeavour to onboard better-quality customers is backed by a deep understanding of the sales channels and OEM partnerships. LTF's sustained technology focus through 100% digital underwriting is being transformed through the introduction of a three-dimensional underwriting engine – Project Cyclops. The project is expected to sharpen credit metrics and create a differentiated approach in next-generation underwriting. Given this backdrop, the company saw a growth of 10% in this business with the book reaching ₹ 12,321 crore in FY 2024-25.

□ **Retail Housing**

The Indian mortgage market, comprising home loans and LAP, has been a mixed bag in FY 2024-25. Limited price rises, combined with flexible payment plans and broker incentives, have resulted in a healthy absorption rate. However, rising land prices and regulatory compliances have affected new project launches.

Drawing on the strengths of channel partnerships and an innovative digital customer value proposition, LTF disbursed over ₹ 9,500 crore in FY 2024-25 with the total book crossing the ₹ 20,000 crore milestone. The total book closed at ₹ 24,929 crore, a growth of 27% y-o-y. The home loan and LAP mix was 80 : 20. Further, the company deepened its distribution network to 385 touch-points in FY 2024-25.

With a continuous focus on delivering market leading financing solutions, a reimagined home loan offering proposition – "The Complete Home Loan" – was launched. The company also entered a strategic partnership with PhonePe, with the objective of augmenting its digital sourcing channels.

□ **Personal Loans**

The industry experienced a challenging credit cycle due to overleverage in the non-prime segment. Growth was muted for most of FY 2024-25. LTF responded through growth focused on the salaried segment and cross-sell opportunities to its existing two-wheeler customer base. This led to a loan book growth of 34% in FY 2024-25.

*Micro Loans*

LTF also entered into strategic big-tech partnerships with Amazon Pay, CRED and PhonePe. These partnerships are expected to pick up pace in FY 2025-26, leading to the creation of a significant customer base.

- **SME Finance**

The SME Finance business book achieved a 67% y-o-y growth and closed at ₹ 6,524 crore. The business saw disbursals of over ₹ 5,000 crore in FY 2024-25. The business continues to focus on deepening market penetration through geographical expansion, providing customers with a seamless journeys and expanding sales channels through direct sales teams and call centres that enhance outreach and operational efficiency.

Business Environment

FY 2024-25 was a year characterised by continuing global economic uncertainties amidst accentuated geopolitical conflicts and disruptive tariff announcements from US.

On the domestic front, rural India was affected by heat waves and an extended election season that led to a delayed release of grants. Further, the postponement of government spending resulted in a short to medium-term liquidity squeeze. This was balanced by a normal monsoon, record harvests followed by robust rural spending. On the other hand, urban India saw a downturn in the credit cycle. Overall, domestic macro fundamentals continued to remain resilient, as reflected in stable inflation, disciplined fiscal management and strong external balances.

On the back of mixed high frequency growth indicators and supported by moderation in retail inflation, RBI reduced policy repo rate by 50 basis points to 6%, after a gap of almost five years. This was also followed by supportive credit measures by way of a risk-weight reduction on bank lending to NBFCs.

Major Achievements

- **Strategic tie-ups with large technology partners**

In continuing with LTF's commitment to innovation, providing seamless digital experience and fostering partnerships within the lending landscape, LTF entered into partnerships with Amazon Pay, CRED and PhonePe to develop cutting-edge credit solutions. These will aid in better market penetration, new customer acquisition and allow businesses to scale up faster.

- **Launch of next-generation credit underwriting engine – Project Cyclops**

The company launched an omni-channel, omni-customer credit underwriting engine, which is the first-of-its-kind engine in the industry, facilitating thorough underwriting on a three-dimensional axis. The AI-ML-powered underwriting engine facilitates an in-depth assessment of the customer's potential integrating bureau, account aggregator and trust signals at scale.



Home Loans

□ Reimagined home loans offering through 'The Complete Home Loan' product

L&T Finance launched an industry-first 'The Complete Home Loan' proposition providing tailored solutions including home décor finance with seamless digital offering and best-in-class customer solution.

□ R.AI.SE 2024 – India's first AI in BFSI conference

LT held the premier R.AI.SE 2024 conference in November 2024 under the theme of 'Re-imagining Financial Services with AI'. R.AI.SE 2024 focused on showcasing real-world applications and use cases of AI in the BFSI space highlighting AI's potential to enhance financial inclusion, customer experience and business growth. The congregation saw widespread participation of 1,400 in-person and over 3,000 joining virtually, with marquee guest speakers / thought leaders from the realm of AI and BFSI participating from across the world.

Significant Initiatives

□ Gold Loan

The company's entry into the gold loans segment is through the proposed purchase of the gold loans business undertaking of Paul Merchants Finance Pvt. Ltd. (PMFPL). This transaction is on a slump sale basis and is expected to close by Q2 FY 2025-26. The PMFPL's gold business is a natural cross-sell product for LTF's Rural Group Loans and Micro Finance business.

□ Launch of KAI

The company launched Knowledgeable AI (KAI), an AI-powered virtual home loan advisor, which is a dynamic and interactive solution, providing a responsive as well as a personalised customer experience.

Risk Management

Effective risk management involves a systematic approach to identifying, evaluating and addressing potential as well as existing threats. This process encompasses both qualitative and quantitative analysis, focusing on the establishment and refinement of controls to minimise or prevent adverse outcomes. A comprehensive risk management strategy is central to LTF's operations. The Board-established Risk Management Committee provides oversight for this framework. This framework encompasses the company's defined risk tolerance, established risk limits, real-time risk monitoring tools and early warning systems. Recognising the evolving business environment and the emergence of novel challenges, including digital security, data privacy, reputational concerns and climate-related vulnerabilities, the company is actively developing updated risk management protocols to proactively address these emerging issues.

*Micro Loan Against Property*

Credit Risk

LTF's business faces considerable credit risk on account of the diverse and complex nature of the retail business, thereby necessitating a robust management system. Credit risk is generally made up of transaction risk or default risk and portfolio risk. Credit risk management is essential to minimise default risk and concentration risk. LTF follows a pragmatic framework for evaluating financing opportunities aligned to the risk-return strategy of the organisation within the applicable regulatory environment.

A structured approach to credit risk management is established in line with the goals / strategy of the organisation, internal and external environment. In an effort to address credit risk structurally, LTF, with the help of cutting-edge technology, is transforming its underwriting architecture through a three-dimensional engine that combines bureau, account aggregator and alternate data.

Further, Project Cyclops, the AI-driven digital credit engine, is working towards strengthening credit risk assessment by delivering real-time, data-driven insights. The company also employs sophisticated dashboards that provide real-time trend identification and breach alerts, enabling proactive risk management and immediate response to potential threats.

LTF is in the process of developing an advanced portfolio management solution to proactively manage customer cohorts, identify stress signals and take corrective measures to mitigate risks. By analysing behavioural patterns,

alternative data sources and macroeconomic factors, the company can make informed decisions on effective customer delinquency management. These measures have contributed to improved asset quality despite challenging market conditions.

Market/Liquidity Risk

A conservative approach is employed to protect LTF from market and liquidity risks. LTF maintains a positive cumulative liquidity gap across all time buckets up to one year. A regularly monitored Contingency Funding Plan (CFP) is in place to address significant disruptions that could impede funding capabilities. A governance structure within the CFP facilitates a crisis management response when needed. The company maintains a positive interest rate sensitivity gap over a one-year horizon, mitigating balance sheet interest rate risk. The Asset Liability Committee (ALCO) of LTF maintains an oversight of all aforesaid matters by way of monthly meetings, and the minutes of the ALCO meetings are presented to the Risk Management Committee (RMC) on a quarterly basis. The above-mentioned processes and governance structure enable LTF to modulate its response to evolving market conditions in a timely and effective manner.

Model Risk

Model risk refers to the potential for errors or inaccuracies in the models used for decision-making that can lead to incorrect assessments of risk or value and increase the risk of losses for the company. Model Risk Management in LTF



Business Loans

is carried out by the Model Risk Management team whose responsibilities include managing a Model Governance Framework containing sets of policies, procedures and controls that are designed to manage the risks associated with the use of models in decision-making processes. To govern the model risk, Board-approved Model Risk Management policy and Model Risk Management Committee have been put in place in FY 2023-24. The objective is to review various model aspects at different stages of the model (development, active use, change and retirement), and to set a high-standard for the model by putting in place a robust risk-dependent review and monitoring framework.

IT Security Risk

The information security team at LTF is responsible for securing business applications from cyber threats by incorporating security features in design of applications, carrying out monthly security assessments on Google Cloud Platform (GCP), cloud and data center, having best-in-class virus and threat protection practices, enabling ethical hacking through external experts, and ensuring round-the-clock security event monitoring of all IT assets. LTF has set up an Information Security Management System (ISMS) for effective management and operation, which is ISO 27001 compliant and certified. To prevent emerging threats, LTF has implemented controls to ensure business

continuity and data protection. LTF's digital platform has a 3-tier security architecture with in-built disaster recovery, along with multiple-layer security. This security system protects its IT network, websites and applications, databases and end-user laptops/desktops for data leakage, denial-of-service attacks, ransomware and malware. The company also engages external parties to conduct vulnerability assessments and penetration-testing as well as ensuring robust protection against cyberattacks.

Outlook

Moving into FY 2025-26, it is expected that the Indian economy will continue to be resilient on the back of strong domestic consumption despite continuing global economic volatility. The FY 2025-26 Union Budget has laid the foundation for the increase in disposable income and higher consumer spending through reduction of personal income tax rates. However, the continuation of government spending on development and the emergence of private expenditure towards capacity augmentation is a metric to look out for in FY 2025-26.

RBI is expected to continue its balanced regulatory approach fostering growth while ensuring compliance, maintaining a clear focus on systemic stability. While there was a downturn in the credit cycle in both rural and urban India in FY 2024-25, this is likely to moderate and stabilise over H1 FY 2025-26, while charting a path to growth from H2 FY 2025-26 onwards supported by a lower system-wide leverage.



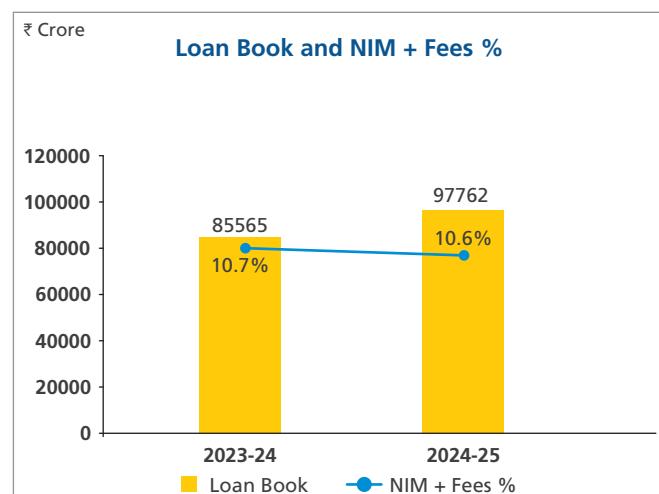
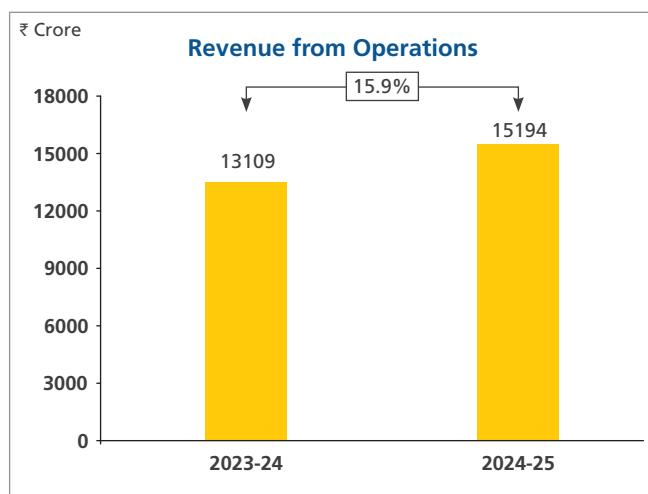
Personal Loans

Financial performance of the segment

The segment's revenue improved by 15.9% y-o-y at ₹ 15,194 crore for FY 2024-25 due to scaling up of retail disbursements. The core strategy for the Financial Services business in the Lakshya 2026 plan revolves around retailisation, dealer penetration through differential offerings, improved customer retention through top ups, geographical expansion and creating strong risk guardrails. Several initiatives have been undertaken over the past couple of years to exit the wholesale exposure, resulting in 97% of its loan book being retail credit as of March 31, 2025.

Disbursements of loans and advances at ₹ 60,305 crore for the year registered a growth of 7% on a y-o-y basis, reflecting higher credit demand in the various retail segments due to resilient domestic economic momentum. Business is following a risk calibrated disbursement strategy in the micro finance sector given the temporary headwinds. The loan book stood at ₹ 97,762 crore as of March 31, 2025, registered a growth of 14% over the previous year, consequent to higher retail disbursements. The net interest margin (NIM), including fee income, marginally declined to 10.6% due to a change in the loan mix.

The Gross Non-Performing Asset (GNPA) ratio is at 3.29% as on March 31, 2025, compared to 3.15% as on March 31, 2024. Similarly, the net NPA ratio is at 0.97% as on March 31, 2025, against 0.79% as on March 31, 2024. The business is well capitalised with Capital Adequacy (including Tier II capital) of 22.27% as on March 31, 2025.



DEVELOPMENT PROJECTS SEGMENT



Hyderabad Metro Rail system typically sees an average daily ridership of round 4.75 to 5 lakh passengers

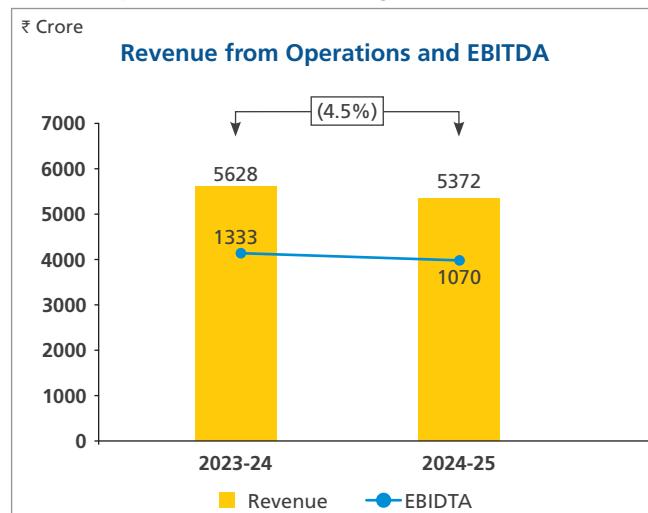
The Development Projects segment comprises of:

- Hyderabad Metro Rail project, through a wholly owned subsidiary, L&T Metro Rail (Hyderabad) Limited
- Thermal power plant, through Nabha Power Limited, a subsidiary of L&T Power Development Limited

The Company, on April 10, 2024, concluded the sale of its entire stake in L&T Infrastructure Development Projects Limited (L&T IDPL), a joint venture, primarily engaged in the development and operation of toll roads and power transmission assets.

The stake was sold to Infrastructure Yield Plus II, an infrastructure fund managed by Edelweiss Alternative Asset Advisors Limited.

Financial performance of the segment



The segment recorded revenue of ₹ 5,372 crore for the year ended March 31, 2025, lower by 4.5% over the previous year. The decline in revenue is due to monetisation of a high value commercial property of Hyderabad Metro SPV in the previous year.

The segment reported an operating profit of ₹ 1,070 crore for FY 2024-25, lower than the ₹ 1,333 crore reported in FY 2023-24. As mentioned earlier, the decrease is mainly due to the monetisation of a high value commercial property in Hyderabad Metro SPV in the previous year.

The funds employed by the segment as on March 31, 2025, is lower at ₹ 18,063 crore, mainly due to the annual amortisation of intangible assets and sale of commercial property.

L&T Metro Rail (Hyderabad) Limited

Overview

L&T Metro Rail (Hyderabad) Limited (L&TMRHL) is a special purpose vehicle (SPV) created to undertake the business of constructing, operating and maintaining a metro rail system, including transit oriented development (TOD) in Hyderabad on a Design-Build-Finance-Operate-Transfer (DBFOT) basis under a concession agreement signed between the SPV and



Hyderabad Metro extends ~70 km across three lines, easing commuting woes, Telangana

the Government of Telangana. The remaining period in the concession is approximately 47 years, with further extensions available as per the conditions set out in the concession agreement signed with the Government of Telangana.

The Hyderabad metro rail system consists of three elevated corridors from Miyapur to L. B. Nagar, Jubilee Bus Station to Mahatma Gandhi Bus Station and Nagole to Raidurg, covering a total network of 69.2 km. The metro rail system was commissioned in phases, with the final stretch being commissioned in February 2020.

The concession agreement includes real estate development rights of 18.5 million sq.ft. in the form of TOD, of which 4.74 million sq.ft. has been monetised till March 2025. Further, L&TMRHL has developed and operationalised four retail malls aggregating to 1.20 million sq.ft. of leaseable area. On an ongoing basis, the company continues to pursue opportunities to monetise TOD rights from third party investors.

Business Environment

Hyderabad Metro is the safest, cleanest, fastest and most reliable urban public transport in the city of Hyderabad. Additional benefits like reserved seats for senior citizens and ladies, WhatsApp-complaint services and various promotional schemes have also been introduced to incentivise commuters to shift their transport preferences.

The average daily ridership in FY 2024-25 was 4,44,000 as against 4,42,000 in FY 2023-24. The highest recorded single-day ridership was of 5,63,000 on August 14, 2024.

With a view to enhancing the vibrancy of L&TMRHL's 4 malls, the company has undertaken an upgrade of its visitor conveniences, improvement of ambience and aesthetics viz., wall panelling, public seating, horticulture, entry and exit areas, and more.

Major Achievements

- The Fifth Report on Key Performance Indicators (KPI) published by I-Metro - an accredited body created by Ministry of Housing and Urban Affairs - saw L&TMRHL as a top performing metro service on several parameters.
- Non-fare revenue generation through innovative measures are being actively pursued.
- Advertisement space on project assets offer a revenue potential by way of launching various innovative services, including digital advertisements. Telecom sector services, like optic fiber and tower space leasing, also contribute to non-fare revenue majorly.
- Rental income opportunities are also a focus area for L&TMRHL. The business has created 3.74 lakh sq.ft. of retail / commercial space across all 57 stations. Station retail occupancy levels reached 87% with close to 3.24 lakh sq.ft. under trading. The company has also undertaken various initiatives to improve the occupancy in station retail.



Hyderabad Metro Rail Stabling Yard at Uppal Depot, Telangana

With a view to increasing the use of green energy, the business has replaced 12% of its grid power requirements for metro rail operations with captive solar power of 10.0 MWp, since commissioning. Solar panels have been installed over the rooftop of metro stations and in depot areas. Another 2 MWp of solar capacity addition is under progress. Further, the business has also created 155 rainwater harvesting pits at various stations and depots, in which approximately 64 million litres of water get harvested annually.

Significant Initiatives

All 57 stations of Hyderabad Metro Rail are now Indian Green Building Council (IGBC) Platinum-certified making it the first metro in India to have all their stations certified as Platinum-rated.

L&TMRHL is working towards upgrading its ticketing system through the introduction of the open-loop ticketing system (OTS) in FY 2025-26. This will aid digital payments by commuters.

Robust and affordable last-mile connectivity for commuters enhances ridership on the metro system. In this regard, L&TMRHL has added exclusive shuttle services from metro stations to corporate offices and has partnered with the Telangana State Road Transport Corporation (TSRTC) for feeder services.

Periodic overhauling (POH) of trains has been initiated in FY 2024-25. POH of 14 train sets out of 57 have been completed.

The business is exploring additional non-fare revenue opportunities through various measures such as consultancy services to other metros, leasing out of optical fiber networks, letting out spaces for erecting mobile towers, setting up of electric vehicle (EV) charging stations (55 charging points already available), royalty earnings from QR ticketing and OTS partners, and more.

L&TMRHL strongly believes in safety and has put mechanisms in place to achieve this objective. The Automatic Train Protection (ATP) system continuously monitors trains for safe operations. The station equipment, the Computer-Based Interlocking (CBI) and wayside ATP are arranged to ensure safe and uninterrupted train operations. Further, Passenger Emergency Stop Plungers are provided on each platform and in station control rooms to stop a train immediately in case of an emergency.

Outlook

Sustained focus on bringing employees 'back-to-office' by various companies, as well as an increase in the overall workforce, should support increased ridership in FY 2025-26. Implementation of OTS is expected to ease metro travel and thereby enhance passenger experience.

Collaboration with various feeder services for first and last mile connectivity is expected to further strengthen the ridership and fare revenue. To enhance commuter convenience, improving the number of parking areas across the network continues to be a priority along with addition of feeder bays, elevators and escalators.



2x700 MW Supercritical Thermal Power Plant, Rajpura, Punjab

In line with the updated positioning, attracting top-end retail players to the 4 malls, remains a pivot area for FY 2025-26. Leasing activity in the retail industry is constantly evolving. Further, revenue share agreements for an initial period - for retailers to derive confidence - followed by minimum guaranteed rental plus revenue share on stabilisation, are now a common practice.

Retail stores may have a significant component of online sales and billing, especially in areas like food and beverage. This requires the creation of an infrastructure to support the logistics needs for the outlets' channel partners. The business recognises the need to be flexible, while tracking new trends and supporting retailers in a manner that is value accretive.

The sale of advertisement contracts into sizeable packages and the selection of partners who have the strengths to grow the business and enlarge occupancy, have also resulted in an increase in revenues.

Hyderabad Metro Rail is seen as an environment-friendly, safe, fast and reliable mode of transport. With the proposed Phase-2 expansion of the metro by the Government of Telangana, the reach of metro rail system is expected to improve. This would lead to an increase in the average ridership in the medium to long term.

Nabha Power Limited

Overview

Nabha Power Limited (NPL) owns and operates a 2x700 MW supercritical thermal power plant at Rajpura, Punjab. The sale of power generated is entirely tied up with the state's distribution company - Punjab State Power Corporation Limited (PSPCL), under a 25-year power purchase agreement (PPA), which is effective up to 2039.

The plant sources its fuel from the subsidiaries of Coal India Limited, under a 20-year fuel supply agreement (FSA), with a total annual contracted quantity of 52.4 lakh million tonnes (MT). The company has secured approvals to arrange coal from alternate sources to make up for any shortfall in supply of coal. The Bhakra-Nangal distributary is a perennial source of water for the plant, under an allocation from the state government. The plant is operated by an in-house team of experienced operations and maintenance (O&M) professionals.

The plant has been running successfully for over 11 years with an availability of over 85%. The plant has been the most reliable source of power for the state of Punjab and has consistently supported the state's requirements with uninterrupted power supply during peak seasons. NPL is also the lowest cost thermal power producer in Punjab.



2x700 MW Supercritical Thermal Power Plant, Rajpura, Punjab

Business Environment

India's average electricity demand has risen by 5% in FY 2024-25. This growth is primarily attributable to increased economic activity, increase in rural electrification and rise in residential power consumption.

Meanwhile, Punjab's power sector has witnessed a sharp rise in electricity demand, outpacing the national average. Electricity demand in Punjab increased by ~11% from 8,041 MW in FY 2023-24 to 8,951 MW in FY 2024-25, driven by early onset of summer and an increased agricultural load.

Despite multiple challenges, NPL was able to source coal from entirely domestic sources ensuring adequate and uninterrupted power supply at an affordable cost to the state of Punjab throughout the year.

Major Achievements

- Annual plant availability factor (PAF): ~95% (highest ever for NPL) and ~98% during the critical paddy sowing season
- Annual plant load factor (PLF): 82% vs all India thermal average of 69%
- Successfully achieved the 3% biomass co-firing compliance target
- Robust fuel management with zero reliance on alternate/imported coal

Outlook

Grid India has projected peak demand to touch around 273 GW in the upcoming summer season. Coal stocks at thermal plants are at an all-time high of 54 MT, ensuring reliable fuel supply to support thermal power generation in meeting the anticipated peak demand.

In FY 2025-26, the peak power demand in Punjab is expected to rise to ~17 GW. As a result, NPL is expected to operate at high PLF while seeking to maintain its position at the top of the merit order among thermal power producers within the state.

NPL expects to commission Flue Gas De-sulphurisation (FGD) systems for both units during FY 2025-26, thereby complying with the new environmental norms, ahead of the mandated deadline. To ensure compliance with Ministry of Environment, Forest and Climate Change biomass co-firing norms, NPL has successfully achieved the 3% co-firing target for FY 2024-25. The biomass co-firing target has been increased to 5% for FY 2025-26.

The areas of focus for NPL during FY 2025-26 are compliance with HSE (health, safety and environment) norms, maximising plant availability, improving plant efficiency - especially during part-load conditions, commissioning of FGD, ensuring fuel adequacy and pursuing multiple digitalisation initiatives to improve operational efficiency.

OTHERS SEGMENT

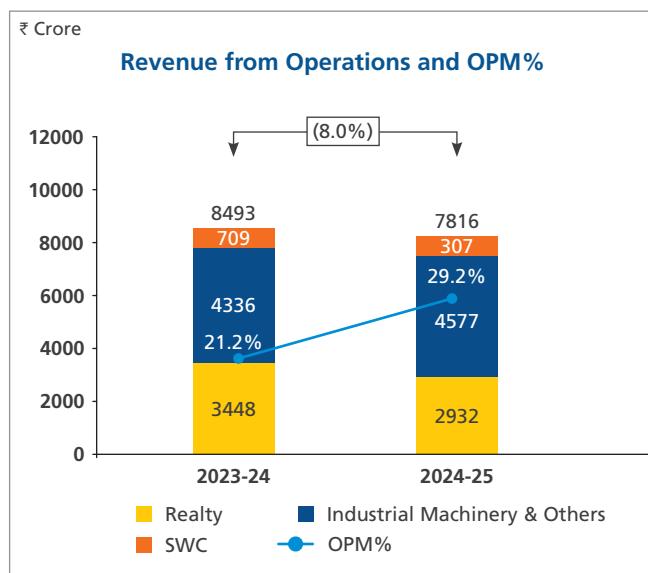


Elara Celestia, Bellary Road, Bengaluru, Karnataka

The 'Others' segment comprises of:

- Realty Business
- Industrial Machinery, Products and Others comprising of Construction & Mining Equipment, Rubber Processing Machinery and Industrial Valves
- Smart World & Communication (residual portion)

Financial performance of the segment



Revenue for the segment registered a decline of 8.0% to ₹ 7,816 crore in FY 2024-25 due to lower handover of residential units to customer of Realty business.

The operating margin for FY 2024-25 improved to 29.2% from 21.2% for the previous year, on the back of improved margin in the Realty business.

Consequent to the launch of new projects in Realty business, the funds employed by the segment as on March 31, 2025, at ₹ 8,663 crore, have increased by 8.6% over the previous year.

Realty Business

Overview

L&T Realty is positioned amongst the top real estate developers in India, with a development potential of 70 million sq.ft. across residential, commercial and retail segments in Mumbai, Navi Mumbai, Bengaluru, Delhi-NCR and Chennai. The business model includes development of own land, partnership with land/development right owners, and the sale and leasing of commercial spaces.


Artist's Impression

The Gateway, Sewri, Mumbai, Maharashtra

Residential Segment:

Ongoing Projects

Elara Celestia, Bengaluru

Elara Celestia is a premium development situated adjacent to Raintree Boulevard, Hebbal. Spread over a land parcel of 13 acres, its exquisite architectural design with nearly 70% open space makes it a much sought-after residential complex. The main attractions of the project are the views to the open greens of *Gandhi Krishi Vigyana Kendra*, a roof-top club house and an infinity pool. Once completed, the project will house around six hundred plus families.

Avinya Enclave, Chennai

The project is part of a 40 acre mixed-use development parcel and is located across the L&T campus at Manapakkam. With exceptional amenities, the best retail outlets, commercial hubs and social infrastructure in proximity, the residences are crafted to grant a timeless living experience in every sense.

Island Cove, Mumbai

Island Cove, Mahim's first gated community, has been conceptualised to offer comfort and easy access to Mumbai's major landmarks. Incorporating the finest lifestyle amenities, this property is poised to emerge as a desirable destination for home buyers aspiring for an improved quality of life.

The Gateway, Mumbai

'The Gateway' at Sewri, Mumbai is an architectural masterpiece that soars more than two hundred metres. Positioned for those seeking an exclusive and luxurious experience, this property is located close to India's longest sea bridge - Atal Setu in Sewri and promises residents unparalleled connectivity and convenience.

Elixir Reserve, Mumbai

Surrounded by a forest, a lake and a hillock, Elixir Reserve is a premium residential development in Powai that is enveloped in a picturesque setting. This project is replete with state-of-the-art amenities, including an international standard school within its premises as well as commercial offices and retail space within proximity.

Rejuve 360, Mumbai

The residential complex is focused on the theme of rejuvenation of mind, body and soul. Located in Mulund West, the project has sustained its position among premium developments in the micro-market.

77 Crossroads, Mumbai

77 Crossroads is a gated community situated on the Eastern Express Highway in Ghatkopar – a location that provides easy access to every corner of the city. The project has functional residences with unmatched comforts and conveniences with more than 20 thoughtfully designed amenities.

*Artist's Impression*

L&T Innovation Campus, Powai, Mumbai, Maharashtra

Veridian @ Emerald Isle, Mumbai

Offering spacious and elegant homes and a host of amenities amidst 3 acres of central greens, this residential complex is the perfect destination for those who wish to live life to the fullest. Hailed as Powai's finest gated community, the development is home to more than 2,000 families.

West Square & West Manor, Navi Mumbai

West Square & West Manor are aspirational addresses in Navi Mumbai. The projects offer exceptional amenities and a promise of privacy. These developments are only a few footsteps away from Seawoods Station, Seawoods Grand Central Offices, Seawoods Grand Central Mall and offer ultra-premium amenities.

Evara Heights, Thane

An epitome of modern architecture and high-rise living, Evara Heights offers thoughtfully designed residences with modern features and premium amenities. The project launched during the year is in the heart of Thane, next to Viviana mall.

Commercial Segment:

Seawoods Grand Central, Navi Mumbai

The Seawoods Grand Central offers 1.7 million sq.ft. of Grade A commercial office development along with 1.2 million sq.ft. of a state-of-the-art mall. It is one of the most successful transit-oriented developments in the country.

Innovation Campus Powai, Mumbai

Innovation Campus is in the heart of Powai and offers approximately 2 million sq.ft. of Grade A office space across LEED Platinum-rated towers, designed with a strong focus on sustainability, wellness and operational efficiency. With cutting-edge infrastructure, efficient floor plates and modern amenities, Innovation Campus is poised to become a preferred destination for IT/ITeS, fintech and innovation-driven enterprises.

Technology Park, Bengaluru

Located in the rapidly growing micro-market of Hebbal, the project has a scope of development of around 1.8 million sq.ft. of IT/ITeS office space. Tech Park-1 (Phase 1) office space, having an area of 1.2 million sq.ft., has been completed and fully leased. Construction for Phase 2 with around 6.5 lakh sq.ft. is slated to begin by the end of this year.

L&T Innovation Campus, Chennai

The 6.5 million sq.ft. L&T Innovation Campus is a mixed-use development project spread across 40 acres and is located at Manapakkam, Chennai (IT Hub). Phase 1 development comprised of two towers, 'Ananda I' and 'Ananda II', with a built-up area of 1.2 million sq.ft. and was completed in March 2024. These towers have now been fully leased out. The campus has the perfect last mile connectivity with the upcoming metro station right within proximity. The development offers the convenience of 'Walk to Work' with premium residences within the campus.


Artist's Impression

Evara Heights, Thane, Maharashtra

Other Commercial Developments:

Developed the only LEED gold-rated building in Faridabad, Haryana serving several marquee clients.

New Growth Opportunities

L&T Realty has expanded its footprint with new project acquisitions totalling more than 20 million sq.ft. for premium residential projects in Mumbai and Bengaluru and 1.6 million sq.ft. commercial office space at Bengaluru and Pune in FY 2024-25. With a robust pipeline and strategic partnerships, the company is well-positioned to accelerate portfolio and location expansion to capitalise on high-demand markets.

Business Environment

The Indian real estate markets continue to be resilient with residential sales in the top six cities – which command ~80% market share – showing a solid 14% y-o-y growth in 2024, despite high interest rates and increasing property prices. Premium segment demand, across the top six cities, surged 27% while prices rose 12%.

The Indian office sector witnessed its highest ever leasing activity in 2024, with gross absorption touching ~79 million sq.ft., registering a 16% y-o-y growth. India's position as the leading hub for Global Capability Centres (GCC) has continued to spur demand, while institutional capital from family offices and ultra-high-net-worth individuals (UHNIs) continues to accelerate acquisitions in the commercial real estate segment.

India's importance as a global hub for engineering, R&D, IT and professional services has been growing rapidly. This has led to the formation of GCCs by multinational enterprises. GCCs leased 29 million sq.ft. of space, which is ~37% of total leasing activity. The cities of Bangalore, Hyderabad and Pune led the charge, collectively contributing 74% of the GCC leasing footprint in 2024. Demand for GCC space is expected to continue in the medium-term.

Major Achievements

- Launched new residential projects:
 - Elara Celestia at Bengaluru
 - Evara Height at Thane, Mumbai
 - Seawoods Residences new phase at Navi Mumbai
- Handed over more than 1,000 residential units during the year at the Raintree Boulevard, Bengaluru and Emerald Isle, Powai East, Mumbai
- Delivered 1 million sq.ft. commercial office space at Chennai campus and commenced another 1 million sq.ft. of new development in Chennai
- The company has received multiple prestigious awards for its excellence across residential and commercial segments of the real estate market. Notable accolades include Workforce Innovation Summit & Award, Realty+ Conclave & Excellence Awards, Great Indian Real Estate Leaders Summit & Awards, Golden Brick Awards, Dubai, ET Now & The Times Group, CNBC-AWAAZ Real Estate Awards, Times Real Estate Conclave & Awards



Komatsu PC2000 Super Long Reach - Hydraulic Excavator



Komatsu PC205 Hydraulic Excavator - Earth Master

Outlook

The growth trajectory of the residential real estate segment in FY 2025-26 is likely to continue on the back of stable mortgage rates and a lower level of residential inventories. The luxury and ultra-luxury segments continue to be strong contributors, fuelled by urban expansion and shifting buyer preferences.

India's commercial real estate market is on an expansionary trajectory, attracting record capital inflows, with the real estate sector leading qualified institutional placement (QIP) fund-raising. Institutional-grade assets in data centers, industrial parks and flex spaces are witnessing exponential demand growth, reinforcing the sector's strong risk-adjusted returns. With improving absorption ratio across key metros, India's real estate sector remains a high-conviction investment avenue in FY 2025-26.

Looking ahead, the Indian office market is poised to maintain its growth momentum in the near term, underpinned by:

- Strong interest in established metros: Bangalore, Mumbai and Delhi-NCR continue to be anchor markets, offering deep talent pools, infrastructure maturity and global connectivity.
- Rise of strategic alternatives: Cities like Chennai, Hyderabad and Pune are gaining traction due to favourable policy environments, cost advantages and occupier preference for portfolio diversification beyond gateway markets.

▫ Premiumisation of office spaces: The evolving dynamics of hybrid work models, employee-centric design and wellness-oriented environments are pushing both developers and occupiers towards:

- green and energy-efficient buildings (USGBC/IGBC/LEED/ Net Zero-ready)
- enhanced experience through hospitality-grade amenities, including concierge services, breakout lounges, wellness zones and tech-integrated facility management

L&T Realty is uniquely poised to capitalise on these sectoral tailwinds and emerge as a leading player delivering value and sustained outperformance.

Construction Equipment and Others

Overview

The Construction Equipment and Others (CE&O) business comprises of Construction and Mining Machinery (CMM) division which is engaged in the manufacturing and marketing of construction and mining equipment, and Rubber Processing Machinery (RPM) division which manufactures equipment for the tyre industry. The CMM division comprises of Construction and Mining Equipment business unit (CMB) within L&T and L&T Construction Equipment Limited (LTCEL), a wholly owned subsidiary of L&T.



L&T 2490 HD Pneumatic Tyred Roller

The CMB division is engaged in the business of distribution and after-sales support of hydraulic excavators and dump trucks manufactured by Komatsu India Private Limited (KIPL), and other mining and construction equipment manufactured by Komatsu worldwide. It also handles the distribution and after-sales support for other mining equipment, viz. surface miners, crushing solutions and apron feeders manufactured by L&T's Minerals & Metals business in Odisha.

LTCEL provides solutions to the construction industry through mechanisation and automation, leveraging its expertise in hydraulics, mechanical, electrical and electronics engineering. Its facility at Doddaballapura near Bengaluru, in Karnataka, manufactures hydraulic power packs, cylinders, pumps, motors, and other components. During the year, LTCEL divested its assets related to the manufacturing of road machinery and material handling equipment to Infra Bazaar Tech Private Limited (IBTPL). The CMM division continues to manage the business of distribution and after-sales support for the range of equipment, now manufactured by IBTPL.

The RPM business, located in Kancheepuram near Chennai, manufactures rubber processing machines and tyre automation systems for the global tyre industry. It has supplied equipment to tyre majors in over 46 countries. With over five decades of expertise, the division also supports customers with 'build to print' products and customised machinery.

The Product Development Centre (PDC), a part of CMB business based in Coimbatore, with its highly skilled design team, supports engineering and product development for both CMM and RPM divisions. PDC plays a key role in designing customised equipment for various industries.

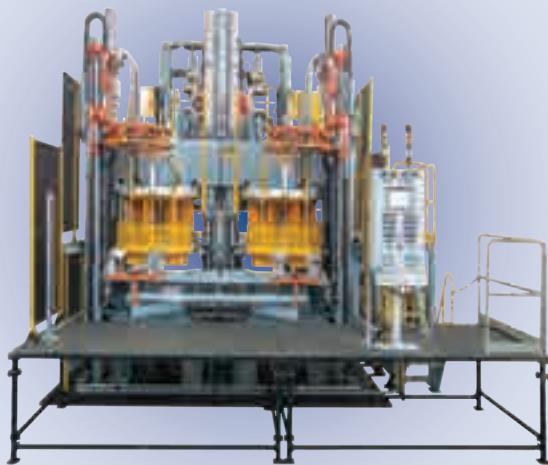
Business Environment

Construction and Mining Machinery Business

Investments in the construction and mining sectors continued to drive demand for the CMM business. However, an extended monsoon and constrained government capex spending during H1 FY 2024-25 resulted in subdued growth in road and highway construction. Consequently, the demand for construction equipment, such as road machinery, wheel loaders and hydraulic excavators, remained subdued during the year.

The demand for mining equipment is largely dependent on expansion plans in coal and other allied sectors. In FY 2024-25, coal production surpassed the significant milestone of one billion tonne, registered a growth of 5%, while iron ore and cement production registered a growth of ~4% over the previous year.

The CMM business has continued to offer cost-effective, performance-driven and sustainable value propositions, backed by robust after-sales support, round-the-clock service at mining sites, application engineering expertise, continuous improvement tools and deep customer engagement.



Passenger Car Hydraulic Tyre Curing Press



Truck & Bus Hydraulic Tyre Curing Press

Rubber Processing Machinery Business

The demand for tyre-making machinery is directly linked with the fortunes of the automobile, agriculture and mining sectors. Though global vehicle sales are projected to grow at 2.7% in 2025, rising input prices and policy uncertainties may constrain demand. In addition, ongoing trade tensions may further dampen overall market sentiment and result in the deferrals of capex in the tyre industry.

As per ICRA, India's domestic commercial vehicle industry is projected to grow 3–5% in FY 2025–26. Continued government support for electric vehicle (EV) adoption is expected to drive market expansion.

Major Achievements

Construction and Mining Machinery Business

- achieved the milestone sale of 50,000th Komatsu machine in India – a testament to quality, reliability and durability and trusted after-sales support
- first distributor in Asia to receive Komatsu's Level-3 Gold Rebuild Certification for its service and training centres in recognition of adherence to Komatsu's global standards
- first time in India, a Komatsu HD785 (100-tonne dump truck) surpassed 73,000 operating hours, while a Komatsu PC2000 hydraulic excavator crossed 75,000 hours — both machines still in operation
- launched the new Komatsu 3-tonne excavator PC35MR, marking entry into the mini excavator segment

Rubber Processing Machinery Business

- developed and exported specialty tyre building machine for off-the-road (OTR), port handling application
- developed and supplied a new-sized Hydraulic Tyre Curing Press for specialised light truck applications for a leading Indian tyre manufacturer
- developed and supplied a Compressed Air-Free Tyre Curing Press for a leading European tyre manufacturer
- developed and supplied an OTR lube spray machine integrated with a robotic system for green tyre painting applications

L&T Construction Equipment Limited

- developed customised Trenching and Pipe Laying Equipment that integrate trenching, cable/hose feeding and trench closing operations into a single unit
- manufactured and supplied CAM (Cement Asphalt Mortar) injection car and asphalt storage tanks for the flagship Mumbai–Ahmedabad High-Speed Rail Project

Significant Initiatives

- launch of LNG retrofit kits, a solution designed to convert traditional diesel engines into dual-fuel engines, in CMM business
- launched smart construction machine equipped with ICT tools to enhance operational efficiency, productivity and fuel savings in CMM business
- in line with its sustainability initiatives, the RPM business has successfully developed Electric Curing Presses



Off-Road Tyre Building Machine

Outlook

Construction and Mining Machinery Business

Various government initiatives like the National Infrastructure Pipeline, *Bharatmala* and *Sagarmala* have created a strong demand for infrastructure machinery. The government's focus on developing world-class infrastructure, from logistics hubs to smart cities, is expected to propel the industry into its next phase of growth. The transition to CEV-V standards will increase the demand for energy-efficient equipment.

The Union Budget for FY 2025-26 has proposed an investment of ₹ 11.21 lakh crore in infrastructure, with about ₹ 2.72 lakh crore outlay for roads & highways construction and ₹ 2.52 lakh crore for railways. The continued focus on the development of rural infrastructure through programmes such as the *Jal Jeevan Mission*, *PM Awas Yojana* and *PM Gram Sadak Yojana* is expected to boost demand for small- to mid-sized construction equipment. Construction activity is expected to gain momentum in the coming year, leading to an estimated 5–6% growth in the construction equipment market.

Infrastructure development will also drive demand in the cement and metal sectors, leading to sustained demand for mining machines like excavators, dump trucks and dozers. Further, with increased targets for the domestic production of coal and iron ore, demand for heavy earth moving machinery (HEMM) is likely to sustain in the near term.

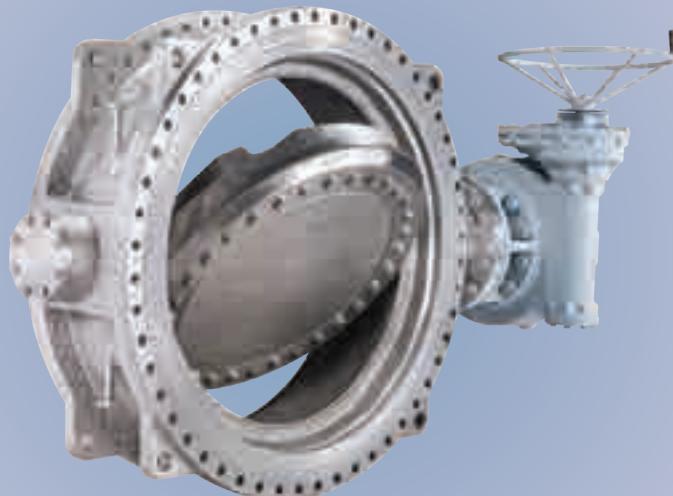
For the Spare Parts and Services segment, the business plans to capture a higher market share by providing long-term service contracts to its customers. In this regard, various initiatives have been undertaken to improve the sale of genuine spare parts.

Rubber Processing Machinery Business

The global automotive tyre industry is projected to reach USD 256 billion in 2025, registering a growth of 5.9% y-o-y and is expected to expand further at a CAGR of 6.3% from 2025 to 2035, reaching USD 472 billion by 2035. The Asia-Pacific market, led by India, is forecast to achieve a 6.4% CAGR in unit growth through 2028.

Globally, tyre industries operate at around 70% capacity. With the US Government's renewed emphasis on local manufacturing, tyre companies in the United States are expected to resume investments. However, due to the imposition of tariffs on tyre manufacturing machinery, major US tyre companies may look to adopt a more cautious approach in the near term.

Demand in the Indian market remains steady. Passenger Car Radial (PCR) and Truck Bus Radial (TBR) tyres will continue to be the key focus areas for the major tyre manufacturers. However, utilisation of off-highway tyres (OHT) remains relatively low, and no significant investments are anticipated in this segment for FY 2025-26.



Large-size steam-jacketed Triple Offset Butterfly Valve supplied to a refinery expansion project

L&T Valves Limited

Overview

L&T Valves Limited (LTVL), a wholly owned subsidiary of L&T, is a leader in flow control solutions with a global customer base. The business leverages sixty plus years of manufacturing excellence to serve key sectors such as oil & gas, defence, nuclear & aerospace, power, petrochemicals, chemicals, water and pharmaceuticals across the globe.

LTVL manufactures a wide range of products such as Gate, Globe, Check, Ball, Butterfly, Double Block Bleed Valves and provides automation solutions. The portfolio includes products monogrammed API600, API594, API6D, API609 & API603, valves with CE, ATEX and safety integrity level (SIL) certifications, as well as IoT-ready digital solutions. With a large installed base in place, LTVL runs a global after-market business to support its customers in valve repair and rectification services, on-site training, project management consulting and maintenance contracts.

The business has manufacturing centres with state-of-the-art facilities in Kancheepuram (Tamil Nadu) and in Al Jubail (Saudi Arabia) through a wholly owned subsidiary. The business has its own internal engineering department and an R&D centre, staffed with a technically empowered team. LTVL's products have an established record of safety, reliability and quality across industry segments.

Business Environment

Relatively stable crude oil prices, easing of inflation pressures and increased investments in the oil & gas sector have led to a higher demand for industrial valves in FY 2024-25. The shift towards clean energy sources like Liquefied Natural Gas (LNG) created additional demand for valves that are used in its transportation, storage and regasification.

During the year, the business witnessed challenges in terms of shorter lead time requirement from customers. Stringent environmental and safety regulations also posed challenges for manufacturers to meet the compliance standards.

The market for industrial valves is characterised by significant fragmentation. An increased focus by customers on faster deliveries and lower costs ensures that the market environment continues to remain highly competitive.

However, given the geographical spread of its demand base, channel and product expansion strategies, the business has established a good reputation in the industry.

Major Product Developments

The business has successfully developed and supplied complex engineering products to meet customers' requirements:

- first globe valve with Inconel 625 cladded internals
- hydraulic drain valve operated under sea and actuated from 6 metres above sea level
- exotic grade material valves for Bio Refinery and PTA plants



Buried Service Trunnion Mounted Ball Valve supplied to a cross-country crude pipeline



World's largest Bellow-sealed Gate Valve supplied for Benzene service in a refinery

Outlook

The business closely monitors key demand indicators such as crude oil prices, capacity additions across industries, client leverage and liquidity, project capex spends, GDP trends and environmental regulations in relevant geographies.

Geopolitical events, political instability or a change in international relations can significantly impact crude oil prices. The impact of tariff wars may result in reduced economic activity which can lead to a decline in demand for oil & gas as industries and consumers cut back on energy consumption.

The domestic market is expected to be relatively shielded from the impacts of tariff wars. Fleet mode projects, along with initiatives aimed at promoting the use of Small Modular Reactor (SMR) and Bharat Small Reactors (BSR) may provide opportunities for business expansion. The domestic market is also seeing investments in the thermal power sector.

Within the given business environment, initiatives focusing on product and geographical expansion, supply chain resilience, digitalisation, operational excellence and a strengthened after-market team, is expected to build a strong business whilst delivering customer satisfaction.

INFORMATION TECHNOLOGY

Empowering Growth Through Technology Innovation

At L&T, the Information Technology (IT) function has made strategic investments in information technology and infrastructural improvements throughout the year, reflecting the Company's dedication to operational excellence and preparedness for the future. These efforts strengthen governance, enhance efficiency and position L&T for sustainable growth.

The following outlines the key initiatives undertaken by L&T in FY 2024-25 - categorised for clarity - and reflect the commitment to digital transformation in alignment with industry best practices:

1. Digital Transformation and Automation

Plans are in place to deploy over 100 AI solutions by FY 2025-26, boosting productivity and operational efficiency. To this end, L&T Cognitive Services (L&T CS) has been deployed to leverage AI-powered applications like SmartCompose and Notes AI, using Machine Learning and Generative AI. A Generative AI platform was also launched to drive innovation and enhance business processes across operations.

2. Compliance and Governance

The IT function successfully completed the ISO 27001:2022 external audit, reinforcing the Company's commitment to robust information security management systems.

In addition, a real-time stock and news monitoring portal was implemented to comply with SEBI regulations. The New Application for Reporting of Accurate Disclosure of Activities (NARADA) tracks share price movements and news, providing alerts to the Corporate Secretarial team for timely analysis and regulatory compliance, ensuring transparency and safeguarding investor trust.

3. Cybersecurity

The Company continues to invest in state-of-the-art security technologies to prevent cyberattacks.

To enhance cybersecurity measures, all key businesses were onboarded to a Central Cyber Security Operations Centre (C-SOC) providing a unified view of security incidents and enabling seamless mitigation across the group.

Enhanced cybersecurity awareness through employee training programmes were conducted through the year.

4. Sustainability and ESG Initiatives

A Microsoft Azure-hosted platform, L&T-EARTH, implemented to capture sustainability metrics (energy, emissions, water, waste) across all locations. It supports regulatory reporting, decision-making and internal benchmarking, reinforcing L&T's ESG commitments.

These initiatives reflect L&T's strategic focus on leveraging technology, ensuring compliance and driving sustainability. By aligning with global standards and adopting cutting-edge solutions, the Company aims to deliver value to stakeholders while maintaining leadership in the industry.

Outlook and Strategic Investments

Looking ahead, the Group IT function will sustain its momentum in driving innovation and value creation. Key priorities for FY 2025-26 include:

- **Scaling the L&T One Approach:** Enhancing One Identity, One Network, One Data, One Asset and One Unified Portal to support growth
- **Advancing Industry 5.0:** Expanding human-machine collaboration and sustainable IT solutions to align with L&T's sustainability goals
- **Scaling AI Innovation:** Further developing the Enterprise Platform and AI-driven solutions for sustainability and customer-centricity
- **Embedding ESG Excellence:** Developing a group-wide ESG Platform to track environmental, social and governance metrics
- **Enhancing Cyber Resilience:** Investing in quantum-resistant encryption and AI-driven threat intelligence

HUMAN RESOURCES

At L&T, Human Capital is recognised as one of the most vital enablers of long-term, sustainable value creation. The Company's workforce is a dynamic, evolving ecosystem of individuals who bring passion, purpose, technical brilliance and leadership to everything they do.

With a multi-generational talent pool spread across geographies, business verticals and disciplines, L&T thrives on the strength of its people — men and women, who challenge the ordinary, solve complex problems and deliver outcomes that shape India's infrastructure, manufacturing and technological progress.

The Company's Human Capital approach is built on five foundational pillars:

- Capability building at scale
- Culture of continuous learning and innovation
- Fairness and inclusiveness
- Performance with purpose
- Well-being as a strategic enabler

These pillars are aligned with the Company's long-term strategic blueprint, Lakshya 2026, and ensure that human capital development remains an integral part of business success and stakeholder value creation.

Acquiring Talent & Consolidating the Employer Brand

L&T's Young Professional Talent Acquisition team recruited and onboarded over 2,600 young engineering professionals (GETs/PGETs) across various businesses within the L&T Group. GETs and PGETs were recruited primarily through campus processes held across the country. Over the past three years, the total number of women hires in the GET/PGET recruitment process was more than 30% of the total intake. More than 1,600 young professionals were also recruited during the year comprising MBA Graduates, Chartered Accountants, Cost Accountants, Diploma Engineers, and other trainees.

Beyond recruitment, the Group focused on reinventing the Employer Brand through campus engagements, strategic sponsorships at various engineering institutes, social media activation, and other initiatives. Through leadership talks and industry-academia connects, L&T's leadership shared inspiring narratives about shaping India's infrastructure. These initiatives continue to reinforce L&T's position as

an employer of choice by engaging with top talent across premier engineering institutes.

CreaTech, the flagship case study competition for engineers, plays a key role in expanding campus interaction by offering students real-world problem-solving experiences that mirror industry challenges. During the year, the Company relaunched OutThink – a business case study competition, which recorded more than 6,500 registrations from 34 premier B-schools across the country.

Managing Talent and Succession

L&T's Performance Management System (PMS), the foundation of the Company's meritocratic culture, ensures that talent is differentiated, recognised and rewarded effectively. The PMS is also integrated with the Career Development and Succession Planning Modules to facilitate seamless succession planning. The Company has a robust process for identifying and nurturing high-potential employees through Development Centres (DCs), designed to assess and groom future business leaders, and a Technology Leadership Programme (TLP), focused on employees in specialised technical domains such as engineering design, construction methods, plant and machinery, precast and formwork. In FY 2024-25, over 1,500 employees were assessed through DCs, and Individual Development Plans (IDPs) were prepared to map their personalised growth journeys.

Talent Review:

To enhance visibility and support critical talent from across business units, the Company further strengthened the 'Talent Review Process' for all employees. Led by the Talent Council, this re-structured approach involves quality discussions and a user-friendly Talent Review software module. A digital tool has been developed to capture the requisite data on critical talent and help track progress of interventions.

Special Initiatives for Workers:

The Company's Infrastructure segment has initiated a worker cash incentive scheme to improve retention of workers at project sites. The scheme pays out a cash incentive to workers who stay for more than 90 days at a project site. During the year, more than 25,000 workers availed of the scheme.

The Group Performance Assistance Scheme, a performance-based earning model has been initiated by the Heavy Engineering business. The scheme is designed to encourage enhanced worker performance by linking it to the prospect of increased incentive-based compensation. It has played a vital role in increasing efficiency, reducing delays and ensuring safe working conditions.

Learning & Leadership Development

At L&T, Learning & Development is deeply embedded in the Company's ethos, driving both individual and organisational growth. The Company has built a legacy of nurturing talent from within. Leveraging cutting-edge AI tools and innovative digital platforms, L&T provides employees with continuous learning opportunities, ensuring that they are equipped with the latest skills.

The flagship Seven-Step Leadership Development and Ascent – an integrated leadership competency development programme -- continues to strengthen the leadership bench, ensuring a seamless transition into future leadership roles.

L&T's Management Development Programmes (MDPs) strengthen functional management skills and build a sustainable competitive advantage. Conducted in partnership with XLRI, IIM-B, IIM-C and other premier B-schools, the MDPs train over 800 employees annually through a structured learning approach. For executive and supervisory levels, the Company runs Executive Development Programmes (EDPs) and Supervisory Development Programmes (SDPs) in collaboration with SIBM and NMIMS.

The People Leadership Excellence Framework introduced in 2023-24 has become the cornerstone for developing leadership excellence through several initiatives. This framework articulates the journey and attributes of a people leader through five dimensions – Personal Excellence, People Relations Excellence, People Performance Excellence, People Development Excellence and People Leadership Excellence.

Long-Term Education Programmes

Investing in long-term education programmes is a strategic approach to develop young talent within L&T and meet the personal aspirations of employees who are in the early stages of their career. Some of the notable programmes are Build India Scholarship with IIT Madras, IIT Delhi, NIT Trichy and NIT Surathkal. In FY 2024-25, the Company collaborated with NICMAR to offer co-branded M. Tech Programmes in Construction Technology & Management and Infrastructure Project Management. The programmes will be rolled out in their Pune campus in FY 2025-26.

The Company conducts skilling programmes for workmen in the construction industry. During the year, more than 10,000 candidates were skilled and trained by Construction Skills Training Institute (CSTI). The training involves a 90-day modular training programme which, upon successful completion, enables a candidate to gain employment opportunities in the construction industry. In addition, over 4,000 candidates were placed under National Apprenticeship Promotion Scheme (NAPS).

Upskilling and re-skilling of workers is also done by giving 'site-based' training and 'on-the job-training'. Over 25,000 candidates have benefited through these schemes.

ATL Varsity

L&T's virtual learning platform, ATLVarsity, offers a host of self-paced learning courses and modules in areas pertaining to technical, functional and behavioural areas. The ATLVarsity, in addition to its own hosted content, offers curated content from other learning platforms such as Coursera, Skillsoft and Coach Vani. Expanding beyond content creation, ATLVarsity leverages GenAI for skill assessments and benchmarking, providing employees with personalised feedback and learning experiences.

HR Digitalisation & AI Enablement

The Company has launched a new AI-enabled chatbot, "HEERA Plus" - an AI-powered employee assistant designed to transform employee query resolution and serve as a self-service platform for all HR related queries, at 3 personas - employee connect, HR connect and Leadership connect.

The Company launched a state-of-the-art Learning Management System (LMS) as a part of the SAP Success Factors suit, marking a significant step in enhancing employee training and development programmes. This cloud-based LMS provides a personalised and meaningful learning experience, prioritising compliance and continuous growth.

Another key Gen AI-driven innovation is CAISY, a Conversational AI Simulator designed as a scenario-based, personalised coaching tool for managers, enabling them to practise difficult conversations and enhance their communication skills. CAISY offers over 70 scenarios across three distinct personas — defensive, aggressive and dismissive — providing a realistic and immersive environment for skill development.

Additionally, L&T has launched a new digital library through the Percipio platform, providing employees with access to over 15,000 books and articles. This extensive digital library supports continuous learning and professional development by offering resources from various fields and disciplines.

The Company added AI-based 270-degree report as part of the People Leadership Excellence Feedback Instrument giving people managers a comprehensive overview on their competencies, strengths and blind spots. It also helps in framing customised development plans for people leaders.

Another achievement in HR digitalisation is the launch of an attrition prediction module - Retain Pulse.AI - an in-house platform developed by HR and the COE – Advanced Analytics, designed to predict employee attrition using workforce data such as demographics, attendance, training and performance.

Diversity, Equity & Inclusion (DEI)

Fostering diversity and inclusion at workplace continues to be a key priority for the organisation, with a focus on hiring diverse talent and creating an equitable environment where all employees feel included. This year the focus has been to strengthen initiatives based on the four pillars of the DEI Charter – Induct, Engage, Develop and Enable.

During the year, the Company hired 'People with Disability' (PWD) candidates in technical roles. A workshop was organised to ensure support from stakeholders and an accessibility assessment was carried out for the office campus.

The WINSPIRE programme is designed to focus on addressing the developmental needs of women at various stages of their careers that covers participants in their early-career to mid-career stages, with each programme customised for the respective cohorts. 765 women employees have undergone the WINSPIRE series of Leadership Development Programmes since its launch.

The Company emphasises on building an enabling environment for women in general and working mothers in particular. The existing policies such as flexibility for new mothers, traveling with infant and caretaker, ergonomic chairs, wellness rooms, creche facilities, hybrid working post-maternity, and the newly introduced menstrual leave, have been well accepted.

Employee Experience & Engagement

As part of ensuring an enhanced onboarding experience, the Company conducts Pulse Engage surveys on the HEERA platform in a conversational mode at critical milestones (7 days, 30 days, 60 days and 180 days) for new joiners. Over 8,000 laterals and 2,800 campus joiners in FY 2024-25 responded to Pulse Surveys.

With over 140 podcasts covering various themes like Leadership Series#, Health & Wellness#, L&T Cares#, and employee's children's achievements in Academics & Sports, **L&T Radio** has become a vital cog in engagement and employee connect.

From 1,500 participants in its inaugural season to over 5,200 participants in FY 2024-25, the **QuizWiz** initiative has cemented itself as a knowledge-driven competitive event, emblematic of L&T's values and its emphasis on continuous learning. **The ART Beats** programme which brings out the artists in the employees, has inspired camaraderie and artistic innovation among employees.

Internal HR Excellence Initiatives – Over the years, L&T has benchmarked its internal people processes. This year, the Company organised the 13th edition of its HR Excellence Model (HREM) awards where applications were assessed by 30 CII-certified assessors. The initiatives taken by HR teams across businesses were recognised as part of the Annual HR Awards programme.

Health & Well-being

The organisation has curated various initiatives to support the mental health and overall well-being of employees. To increase awareness of holistic well-being among employees, the Company conducted a pilot survey based on the Four Pillars Wellness Framework – physical, social, emotional and financial.

The Company organised various programmes covering – health awareness sessions, diagnostic/screening camps/ workshops and training programmes.

The Company offers mental health counselling services both internally and through external counselling service providers that ensure that employees have confidential access to counselling, mental health resources and support for both personal and workplace challenges.

The MHFA (Mental Health First Aider's) campaign was launched in December 2024, inviting nominations from employees across India. 50 participants were chosen to take part in this initiative which aims to equip employees with the skills to identify mental health challenges, support individuals in need and provide guidance on accessing professional help.

Larsen Memorial Run

This run is organised every year as an ode to the co-founder. From the first edition in 2013, the number of participants has increased every year with more employees actively participating along with family and friends.

The second edition of the Atal Setu L&T Marathon took place on February 16, 2025. Besides being a platform for fitness enthusiasts, the run is also a celebration of the L&T Spirit.

Outlook & Strategic Priorities

As the Company expands into new businesses and geographies, its commitment to talent development has deepened. The focus is to ensure that the workforce is equipped with the skills, expertise and leadership acumen needed for sustainable growth. The Company actively invests in continuous learning and targeted upskilling programmes along with leadership development initiatives that align with evolving industry dynamics.

The Company upholds an unwavering commitment to human rights, fostering a workplace anchored in integrity, fairness and inclusivity. By embedding ethical principles across the workforce, the Company creates an environment where employees thrive, collaborate and contribute meaningfully.

AWARDS AND ACCOLADES



'L&T Heavy Engineering, Hazira' declared Winner of 'Golden Peacock Award for Corporate Social Responsibility' for 2024 for its community development initiatives

During the year, multiple projects across multiple businesses received awards for Environment, Health and Safety from RoSPA (The Royal Society for the Prevention of Accidents), the British Safety Council, the National Safety Council of India (NSCI), and many other reputed organisations. L&T's businesses have also won many awards and accolades. Some noteworthy awards and accolades are mentioned below:

Human Resources

- Great Place to Work® Certified, FY 2024-25
- Recognised by ET HR World Future Skills Awards 2024 with Silver Award in the category of Best Use of AI/AR/VR in Learning & Upskilling.
- 'Best use of AI in Learning & Upskilling' 2024 in programme of the year category by Skillsoft
- Recognised as Top 100 Best Companies for Women in India by AVTAR & Seramount, 2024
- Gold Award at SHRM HR Excellence Awards 2024 for 'Excellence in Developing Emerging Leaders'
- Best Employer List in India by Randstad 2024 (Top 10) and 2nd in energy and infrastructure sector
- Forbes World's Best Employer 2024
- Recognized at the ET Human Capital Awards (ETHCA) 2025 - Gold Award in the category of 'Excellence in AI for Learning & Development'

Corporate Social Responsibility (CSR)

- 'L&T Heavy Engineering, Hazira' was declared the Winner of the 'Golden Peacock Award for Corporate Social Responsibility' for the year 2024 for its community development initiatives
- Larsen & Toubro Ltd. (Heavy Engineering division) has been honoured with the "India CSR Investment in Sustainability Award" at the India Climate Samman 2025 by Carbon Markets Association of India (CMAI)
- L&T was honoured with the 1st Prize for 'Unnati', an Integrated Community Development Programme undertaken at Devgaon Cluster of Aurangabad District in Maharashtra by AIMA (All India Management Association)
- L&T was honoured for Excellence in Community-driven Sustainability Impact by Indian Chambers of Commerce (ICC), Annual Sustainability Symposium and Excellence Award

Buildings & Factories

- Received the Outstanding Concrete Award for HAD Chandigarh – 3D Printing from the Indian Concrete Institute (ICI) and the Outstanding Concrete Structure Award for IIT Hyderabad Phase 2 from ACCE
- BIAL T2 received ICI Award for Outstanding Concrete Structure (Infrastructure) 2024 and DIAL Ph3A project received ICI Award for Outstanding Concrete Structure (Buildings) 2024 and Construction Times Award for Best Airport Project 2024



Great Place to Work® Certified, FY 2024-25



LTEH won OHSSAI Carbon Neutral Award (Gold) at the 9th Annual HSE Excellence & ESG Global Awards 2024

Transportation Infrastructure

- Received the Build India Infra award for Meerut-Aligarh-Ghaziabad Road Project under Sustainability category
- Delhi International Airport Phase 3A works has been recognised as the Best Airport Project of the Year 2024 by Construction Times Magazine
- EPC World Awards – MAHSR C6 Project team accorded the award for “Outstanding Contribution to Innovative Urban Transportation” category

Water & Effluent Treatment

- IMC Ramkrishna Bajaj National Quality Award (IMC RBNQA) for performance excellence
- Middle East Economic Digest (MEED) Project Awards – Ad Dakhiliyah WSP - National Winner - Water Transmission Project - Oman
- Multiple EEF Global Awards in various categories

Hydrocarbon

- Certificate of Appreciation Awarded by Society of Petroleum Engineers (SPE)
- Won ‘Platinum Award’ by ICC (Indian Chambers of Commerce) in National OHS Award 2024
- Group QHSE Won the coveted Gold Award for Carbon Neutrality Initiatives for the time at OHSSAI Global Conclave & Annual Awards 2025, IIM Mumbai

Precision Engineering & Systems

- ‘Gold Award’ at National Level - Quality Sustainability Award 2024 by Indian Society for Quality
- FICCI Platinum Award 2024 at National level – ‘Excellence in Quality Systems’ in Large Companies category
- Five ‘Gold Awards’ for six sigma, Kaizen and VSM at Quality Circle Forum of India (QCFI) Coimbatore Chapter
- SIDM champion award under export substitution for Fire Control System of Anti Submarine Warfare weapons
- Received the esteemed Skoch Order of Merit Certificate for Smart Automation - The RPA Path to Digital Agility, recognising our excellence in process automation

L&T Technology Services

- Recognised as a Great Place to Work™ in the United States for the first time ever, and as a Great Place to Work™ in Poland for the second time in a row
- Acknowledged as the Most Innovative Company of the Year 2024 – 25 by ET Now
- Featured among the Top 3 Global pure-play Engineering Services in Everest Group’s Engineering Services Top 50 ranking
- Rated as Market Leaders in the 2024 HFS Horizons Report for IoT Service Providers, excelling in comprehensive strategies, global reach, technology partnerships, and transformative solutions
- Recognised as one of the Top 25 Companies Excelling in Women in STEM, 2024, by CII



Recognised as Top 100 Best Companies for Women in India by AVTAR & Seramount, 2024

- Rated as a “Leader” in Digital Engineering and ER&D Services 2024 for Overall ER&D, Digital Engineering Services, Medical Devices, Industry 4.0 and Industrial by Zinnov
- Recognised by Financial Express FuTech Awards 2024 for Best AR/VR Breakthrough and Best Use of Predictive/Prescriptive Analytics

Nabha Power

- Central Board of Irrigation & Power (CBIP) Award 2024 for Best Performing Thermal Power Station
- Won Best National Power-Gen Plant of the Year (Coal) from Council for Enviro Excellence (CEE) at 2nd National Power-Gen Leadership Awards, 2024
- Won Excellent Energy Efficient Unit from CII at National Award for Excellence in Energy Management, 2024
- Twin awards from CII at the National Energy Efficiency Circle Competition
 - Winner of Innovations in Energy Efficiency
 - Winner of Effective Implementation of ISO 50001 (Energy Management)
- Twin awards from the Council for Enviro Excellence (CEE)
 - Winner of Sustainable Performance in IPP (Coal) – Above 500 MW Category
 - Winner of Sustainable Performance in IPP – Fly Ash Utilisation Plant of the Year (Private Sector)



Gold Award at SHRM HR Excellence Awards 2024 for ‘Excellence in Developing Emerging Leaders’

Construction Equipment

- Received Construction Infrastructure Architect World award for:
 - Best Company in Earth Moving Equipment
 - Best Product in Small & Mid-Category Komatsu PC81
 - Best OEM for Skill India Campaign in Partnership with IESC

Valves

- “Star Performer Award” for outstanding export performance from EEPC India
- “Gold” position in Environment & Safety in 9th Annual HSE Excellence & ESG global awards from OHSSAI
- First Indian Valve manufacturer certified with ISO 19443:2018



LARSEN & TOUBRO

ATMANIRBHARTA

for happier, brighter tomorrows.

Larsen & Toubro is an Indian multinational with diversified interests across core, high-impact sectors.

For over eight decades, we have been actively contributing to building the country's image and stature across the globe.

At L&T, we make the things that make India proud. This has led us to being known as 'The Builders to the Nation'.

www.Larsentoubro.com

Find us on:



INTEGRATED REPORT



Approach to the Sustainability Disclosures

This section of the Integrated Annual Report highlights the approach to value creation for all stakeholders. It presents a comprehensive sustainability performance overview, encompassing value creation model, sustainability governance, material topics, stakeholder engagement and the six capitals. This disclosure goes beyond statutory requirements, offering a holistic view of the Company's goals, strategy and performance.

Reporting Framework, Guidelines and Standards

- Narrative sections adhere to the IIRC's <IR> Framework guidelines. These sections provide a comprehensive overview of the Company's performance and activities.
- Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines on Responsible Business Conduct (NGRBC)

Reporting Period, Scope and Boundary

This section covers relevant financial and non-financial information for the Company on a standalone basis. The information in this Report pertains to the period April 01, 2024 to March 31, 2025.

External Assurance

An independent reasonable assurance of the Company's BRSR Core parameters has been conducted by Deloitte Haskins & Sells LLP.

Forward-looking Statement

This section contains forward-looking statements based on reasonable assumptions and past performance. These involve risks and uncertainties and may differ materially from actual results due to changes in industry trends, market conditions, regulations, and other factors. The Company makes no assurance that such statements will prove accurate.



NATURAL CAPITAL

► Pg. 178



MANUFACTURED CAPITAL

► Pg. 208



HUMAN CAPITAL

► Pg. 214



INTELLECTUAL CAPITAL

► Pg. 244



SOCIAL AND RELATIONSHIP CAPITAL

► Pg. 260



FINANCIAL CAPITAL

► Pg. 292

Other Chapters

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VALUE CREATION PROCESS

STRATEGY

VISION AND VALUES



MATERIAL TOPICS

STAKEHOLDER ENGAGEMENT

GOVERNANCE: POLICIES, PROCESSES, RISK MANAGEMENT

VALUE

VALUE CREATION

Business Models

EPC Projects



Hi-Tech Manufacturing

The six Capitals are utilised through business processes to create assets and products linked to infrastructure, energy, oil & gas, metals, process plants and other sectors, and create value for the stakeholders.



**NATURAL
CAPITAL**



**MANUFACTURED
CAPITAL**



**HUMAN
CAPITAL**



**INTELLECTUAL
CAPITAL**



**SOCIAL AND
RELATIONSHIP
CAPITAL**



**FINANCIAL
CAPITAL**

Creating Value for



Customers



Shareholders



Employees



Suppliers



Government



Communities

VALUE CREATED



**Productive Assets
for Clients**



**Dividends
and Buybacks**



**Employee Benefits
and Capability
Development**



**Business for
Suppliers**



**Payment to
Exchequer**



**Community Assets
and Livelihoods**

VALUE CREATION MODEL

Input

	Natural Capital	Water Consumed: 15.4 Mn kL Energy Consumed: 9.9 Mn GJ Spend on Environment ¹ : ₹ 76 Cr Material Consumed (Mn tonnes): - Cement: 3.8 - Sand: 5.9 - Ferrous: 1.9
	Manufactured Capital	Active Project Sites: 700 Manufacturing Facilities: 19
	Human Capital	Employees: 58,556 Workers: 3,54,415 Gender diversity: 9.1% Safety training manhours: 4.2 Mn
	Intellectual Capital	R&D Spend (cumulative of 3 years): ₹ 479.4 Cr IPR filed: 18 R&D Engineers and Scientists: 144 Active collaborations and partnerships ⁶ : 22
	Social & Relationship Capital	CSR Spend: ₹ 164 Cr CSR Partners: 61 Sourcing from MSME: 10% Memberships of Industry Chambers: 63
	Financial Capital	Order Book: ₹ 4,70,444 Cr Net Current Assets: ₹ 28,306 Cr Net Fixed Assets: ₹ 12,393 Cr

¹ Spend on environmental management: pollution control, environmental monitoring, waste management, wastewater treatment etc.

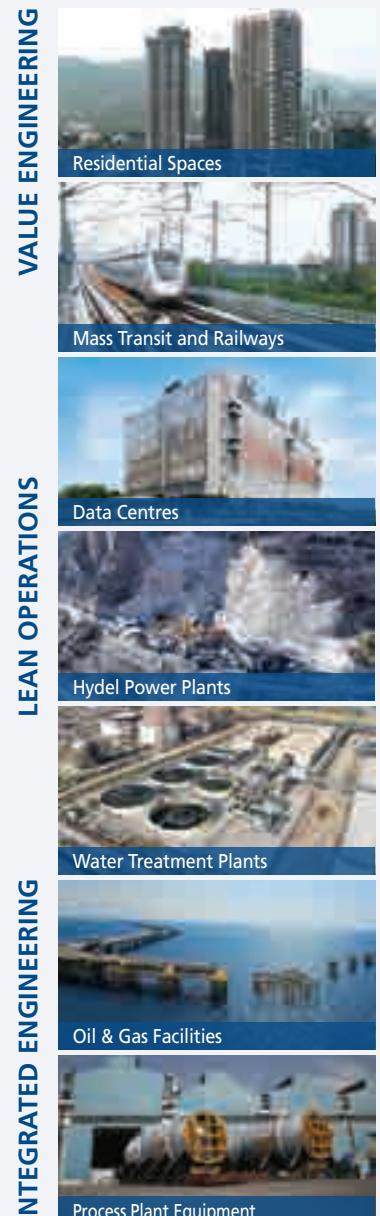
² Partnerships with universities, academic and research institutes, start-ups.

³ Also includes Green Building (15.6 Mn sq. ft.).

⁴ Mobility Infra created includes Roads (109 lane km), Rail electrification (419 track km), Mass Transit-Track (265 track km) and Mass Transit-viaducts (129 km).

⁵ Also includes Irrigation Capacity (1.1 lakh ha) and Water Pipelines (1.2 lakh km).

Business Processes and



Offerings

SPEED & SCALE



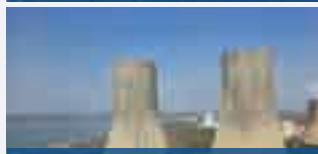
Commercial Spaces



Airports



Solar Power Plants



Nuclear Power Plants



Refining and Pcthem Plants



Ferrous and Non-ferrous Plants



Launch Vehicles

DIGITALISATION

AUTOMATION

INNOVATION

GLOBAL SOURCING

Output

GHG Emissions: **0.88 Mn tCO₂e**
 GHG Emission Intensity: **6.2 tCO₂e/₹ Cr**
 Water offset created: **3.2 Mn kL/year**

SDG Linkage



Green Business (Revenue): **₹ 75,500 Cr**
 Building Infra created²: **30.7 Mn sq. ft.**

Mobility Infra created³: **921**

Bridges & Tunnels: **50.2 km**

Power Infra Created:

- Transmission Lines: **2,304 ckm**
- Solar Power Capacity: **4.3 GWp**

Water & Sanitation Infra Created⁵:

- Water Storage Capacity: **529 Mn ltr**
- Treatment Capacity: **910 Mn ltr/day**

Factory Output⁴: **3,34,304 tonnes**



Revenue per Employee: **₹ 2.4 Cr**
 Women in senior management: **112**
 Average training days per employee : **10.1**
 Accident-free Man Hours: **1,380 Mn**



IPR granted: **3**
 Value Engineering projects⁷: **313**



CSR beneficiaries: **1.9 Mn**
 Contribution to Exchequer: **₹ 7,481 Cr**
 Complaints Received⁸: **1,250**
 Complaints Resolved: **1,181**



Turnover: **₹ 1,42,509 Cr**
 PBIT: **₹ 15,294 Cr**
 Dividend Payout: **₹ 4,676 Cr**
 Return on Net Worth: **15.94%**



⁶ Total production for businesses: Buildings & Factories, Power Transmission & Distribution, Minerals & Metals, Heavy Engineering, Precision Engineering and Systems, L&T Energy-Hydrocarbon and Rubber Processing Machinery.

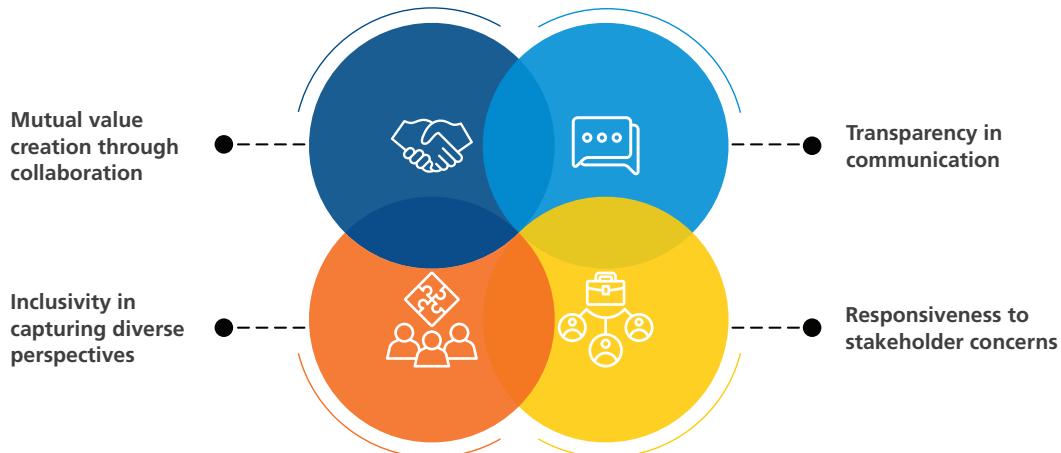
⁷ Initiatives for improving processes, products and services to reduce cost, improve project delivery and increase customer satisfaction.

⁸ Across the stakeholders, for breakup refer to Section A in Business Responsibility and Sustainability Reporting (BRSR).

DRIVING STAKEHOLDER ENGAGEMENT

The Company recognises that open and ongoing dialogue with the stakeholders is essential towards shaping a resilient and sustainable business. The engagement approach ensures that the Company is responsive to evolving expectations, aligned with the sustainability strategy with material topics, and committed to building long-term trust.

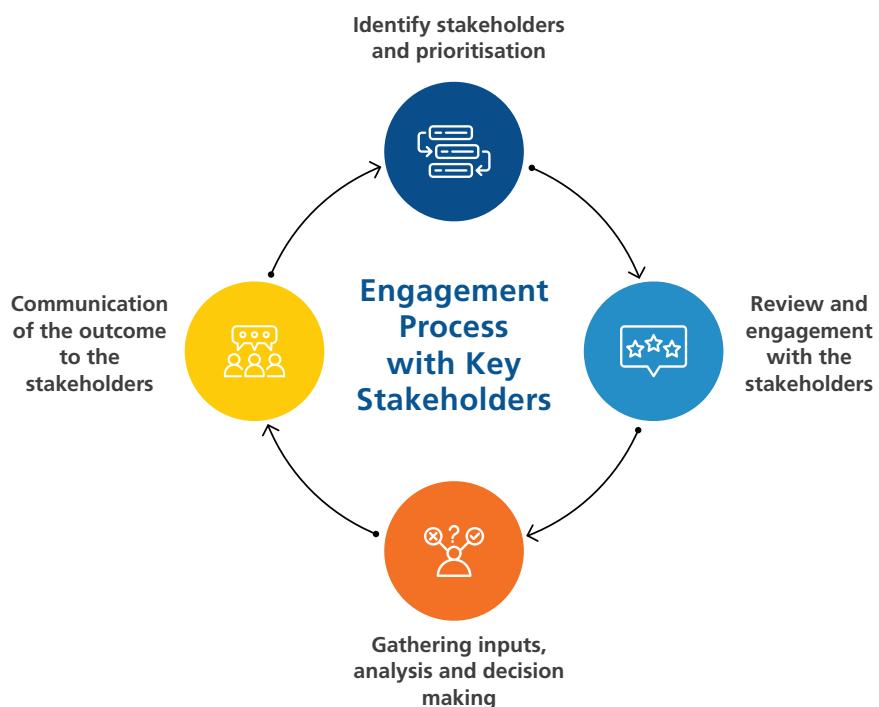
Core Principles of Engagement



Engagement Approach and Governance

The Company engages with a diverse range of stakeholders who influence, or are influenced by, the operations - employees, customers, shareholders, suppliers, regulators, communities, and civil society organisations. The engagement is structured, inclusive and tailored to the nature of each stakeholder relationship.

The Company has established a robust governance system to ensure effective stakeholder engagement and the activities are directly overseen and guided by the top management and senior leaders.





Government

The government is a critical customer for L&T. It is the primary driver of large-scale infrastructure development and digital transformation in the country. Government (sovereign, sub-national, local) and related entities (public sector enterprises) are the largest customers, making up ~80% of the Company's total revenue, mainly on the infrastructure and energy sectors where L&T is able to leverage its engineering expertise, execution capabilities and innovation to contribute to national development. A strong relationship with the government also enhances L&T's reputation and positions it as a trusted partner in nation-building.

- Review meetings
- Representations - direct and through Industry Associations
- Daily or as required in specific contracts
- Progress updates related to contract execution
- Concerns and support for fulfilling contractual obligations
- Regulatory compliances and reporting requirements
- Advocacy for policy changes and provide inputs for policies and legislation
- Creating nation-building infrastructure
- Job creation and skill development across the country
- Sustainability and green infrastructure



Customers

Private sector customers comprise ~20% of the Company's total revenue. The contracts are based mostly on the long-term relationship that the Company has developed over the years due to excellence in execution and customer delight. These long-term relationships facilitate collaboration across various common areas between the Company and the customer, including developing new solutions and technologies.

- Review meeting for contract management
- Direct communication: meetings and interactions
- Customer satisfaction surveys and feedback
- Account management
- Visits and audits
- Daily or as required in specific contracts
- Bi-annual satisfaction surveys
- Quality and safety
- Timely execution and delivery of product/project
- Data privacy and confidentiality
- Fair and competitive pricing
- Transparency in billing and performance
- Progress updates related to contract execution
- Seek support for fulfilling contractual obligations
- Partnerships for collaboration and innovation
- Customer satisfaction
- Enhanced customer experience
- Repeat customer
- Productive assets in line with customer requirements

Legend

Engagement
Channels

Frequency

Key Focus Areas and
Topics of Discussion

Value Creation



Employees and Workers

The workforce is the backbone of the Company - they bring the skills, expertise and dedication needed to succeed. An engaged workforce enhances productivity, delivers quality service and fosters innovation, which is critical for staying competitive. Beyond fulfilling job roles, they are key to shaping the Company's culture and reputation. Investing in their well-being and development boosts morale and builds loyalty and long-term growth for the organisation.

- Townhalls and direct interaction with the top leadership and senior management
 - Employee feedback and engagement surveys
 - Induction programmes, training, learning sessions
 - Performance appraisal
 - Complaints and grievance redressal processes
 - Circulars and broadcasts, print and online in-house magazines and newsletters
 - Welfare initiatives and Employee Assistance Programmes
 - HEERA - an AI powered employee assistant for HR queries
 - Engagement events: Hi5, L&T Radio, Art Beats and so on
-
- Continuous, monthly, quarterly, annual and need-based
-
- Work environment and culture
 - Personal development and growth
 - Health and safety
 - Competitive compensation
 - Business outlook and future direction
 - Organisational changes, policies and processes
 - Feedback on the Company's policies and actions
-
- Skill development and career progression opportunities
 - Growth, learning, development and well-being
 - Employee satisfaction, motivation and workforce morale
 - Improved operational processes, efficiency and productivity
 - Safe workplace

Legend

Engagement
Channels

Frequency

Key Focus Areas and
Topics of Discussion



Supply Chain Partners

L&T has a complex supply chain, with more than 1,00,000 suppliers and in diverse locations across the globe. The supply chain partners play a crucial role in the success of the Company by ensuring the steady flow of goods, services and resources needed to maintain operations and deliver. A strong and reliable supplier network can also drive innovation, support sustainability goals and improve risk resilience. Building strong partnerships with vendors creates mutual value and allows companies to respond more flexibly to market demands and disruptions.

- Vendor and Supplier conference and meets
 - Meetings with Business heads and leadership teams
 - Grievance redressal platforms
 - Contract related meetings
 - Online and offline training programmes and capacity-building sessions
-
- Daily or need basis as per sourcing requirement
 - Annual meets
-
- Feedback, clear and timely information about requirements and changes
 - Contractual and non-contractual grievances
 - Training and awareness
 - ESG assessment of critical supply chain partners
 - Sourcing and service-related concerns
 - Vendor management issues
 - Compliance with regulations and industry norms/standards
 - Vendor Performance : monitoring, assessment and development
-
- Strong and long term relationships and partnerships towards achieving mutual goals
 - Fair, transparent and ethical supply chain practices
 - Performance excellence
 - Initiatives to enhance quality and meet ESG standards
 - Knowledge and good practice sharing
 - Leverage the expertise of each other for mutual benefit
 - Identifying and mitigating supply chain risks
 - Economic progress of MSMEs



Shareholders and Investors

Shareholders and investors are key stakeholders for L&T who provide the essential capital that fuels the Company's growth, innovation and determines the long-term strategy. Additionally, shareholders influence governance and strategic direction through their voting rights and engagement. L&T's commitment to value creation, transparency and sustainable performance directly aligns with the expectations of its shareholders and investors, making them integral to the Company's success and resilience.

- Investor meets
- Integrated Annual Reports and other public disclosures
- Annual General Meeting (AGM)
- Quarterly results on performance and Investor presentations
- Investor Relations
- Exclusive section on Company website at <https://investors.larsentoubro.com/>
- Social media and digital platforms
- One-on-one meetings
- Regulatory filings, newsletters, press releases
- Stock Exchange filings
- Dedicated e-mail ID and toll-free number

- Need basis as required by investors
- AGM
- Quarterly : investor meets

- Business performance : financial and non-financial
- Concerns with respect to policies and actions
- Growth opportunities and future plan

- Trust and confidence in the Company and the management
- Value enhancement - return to shareholder investments



Communities and NGO Partners

Essential allies for the Company, they help in building trust, strengthening social licence to operate, and creating shared value. Local communities provide insights into social, cultural and environmental contexts, ensuring that business activities are respectful, inclusive and responsive. NGO partners bring expertise, credibility and networks that can enhance the Company's impact, especially in areas like sustainability, community engagement rights and social development. Collaborating with these stakeholders not only supports long-term community well-being but also reinforces the Company's reputation, resilience and purpose-driven growth.

- Direct engagement and/or through NGO partners, civil society organisations
- CSR project implementation
- Community needs assessment
- Impact assessment of projects
- Community visits, meetings with community representatives
- Formation of village institutions and regular meetings

- Need-based as required for specific projects
- Quarterly : NGO partners

- Community development programmes based on the needs of the community
- Local employment
- Resolution of concerns with respect to project implementation
- Strengthening local infrastructure and providing livelihood opportunities

- Social licence to operate and positive social impact
- Improved standard of living and empowerment of underprivileged and vulnerable communities
- Enhanced community relations
- Risk reduction and conflict avoidance
- Employee engagement and morale

Legend

Engagement
Channels

Frequency

Key Focus Areas and
Topics of Discussion

Value Creation



Regulatory Bodies

Regulators play a vital role in shaping the environment in which the Company operates. By setting and enforcing standards - whether related to finance, environmental protection, labour, or data privacy - regulators help maintain trust between businesses, customers and society. L&T has presence in diverse sectors of the economy, and therefore, sectoral regulatory bodies are also important stakeholders.

- Representation and participation in policy advocacy issues through industry associations and at various forums
 - Collaborative initiatives with regulators for the development of sector-specific policies
 - Direct interactions on a case-to-case basis
 - Public consultations
 - Regulatory audits and inspections
-
- Need-based

-
- Compliance with laws and regulations and sound corporate governance mechanisms
 - Inputs on new policies and regulations
 - Transparency in disclosures
 - Climate change and natural resources management

-
- Enhanced regulatory compliance
 - Stronger brand reputation and credibility
 - Contribution towards national goals
 - Commitment towards transparent and responsible business practices
 - Contribute to the development of policies and regulations and overall advancement of the construction and infrastructure sectors in India



Media

Media plays a key role in shaping public perception. Positive media coverage builds brand trust, while negative press can impact credibility, investor confidence, and even market value. Media helps influence L&T's reputation provides a critical link in the feedback loop on issues related to the Company and the Brand.

- Direct communication and media interaction through leadership interviews, press briefings by senior leadership
- Media briefing and press releases available at <https://www.larsentoubro.com/corporate/media/press-releases/>
- Quarterly results and investor presentation
- Integrated Annual Report
- AGM
- Crisis communication
- Social media handles

-
- Need- and issue-based
 - Quarterly media interaction after financial results

-
- Major project wins
 - Strategic initiatives (e.g. sustainability, digital transformation)
 - Business updates, milestones and anniversaries, achievements
 - Sustainability issues and responsible business practices

-
- Awareness of the Company's businesses and offerings
 - Enhance brand value and public perception
 - Input for improving organisational strategy by understanding and addressing media expectations and challenges
 - Disclosure of business practices and impacts through integrated annual reports

Legend

Engagement
Channels

Frequency

Key Focus Areas and
Topics of Discussion

Value Creation

OUTLOOK AND STRATEGIC PRIORITIES

L&T is committed to enhancing its stakeholder engagement to foster stronger relationships and ensure alignment with its strategic objectives. L&T's stakeholder engagement will continue to focus on the following key areas:



Enhanced Communication Channels

Leverage both traditional and digital platforms to maintain continuous and transparent communication with stakeholders. This includes regular updates through newsletters, social media and dedicated stakeholder portals.



Regular Stakeholder Surveys

Conduct more comprehensive surveys and feedback sessions; the insights from which influence the Company's strategies and initiatives, ensuring that they are aligned with stakeholder needs.



Inclusive Decision-Making

Increased involvement of stakeholders in the decision-making process by organising forums, workshops, and roundtable discussions. This inclusive approach will help gather diverse perspectives and fostering a sense of ownership among stakeholders.



Sustainability and ESG Focus

Continue to prioritise ESG principles in its operations. The Company is already in the process of revisiting the materiality identification through double materiality process and is engaging with stakeholders to co-create sustainable solutions and drive initiatives that contribute to long-term value creation.



Community Engagement

Further strengthen its community engagement efforts by partnering with local organisations and NGOs. These collaborations will continue to focus on social development projects, education, skilling, healthcare, water and sanitation and environmental conservation, ensuring positive impacts on the communities where L&T operates.



Transparent Reporting

Enhance its reporting mechanisms to provide stakeholders with clear and comprehensive information about the Company's performance, governance practices and sustainability initiatives. This includes regular publication of sustainability reports and updates on key projects and milestones.

These strategies reflect L&T's commitment to ESG principles, aiming to earn stakeholder trust, catalyse cooperation, and promote sustainable, inclusive growth.

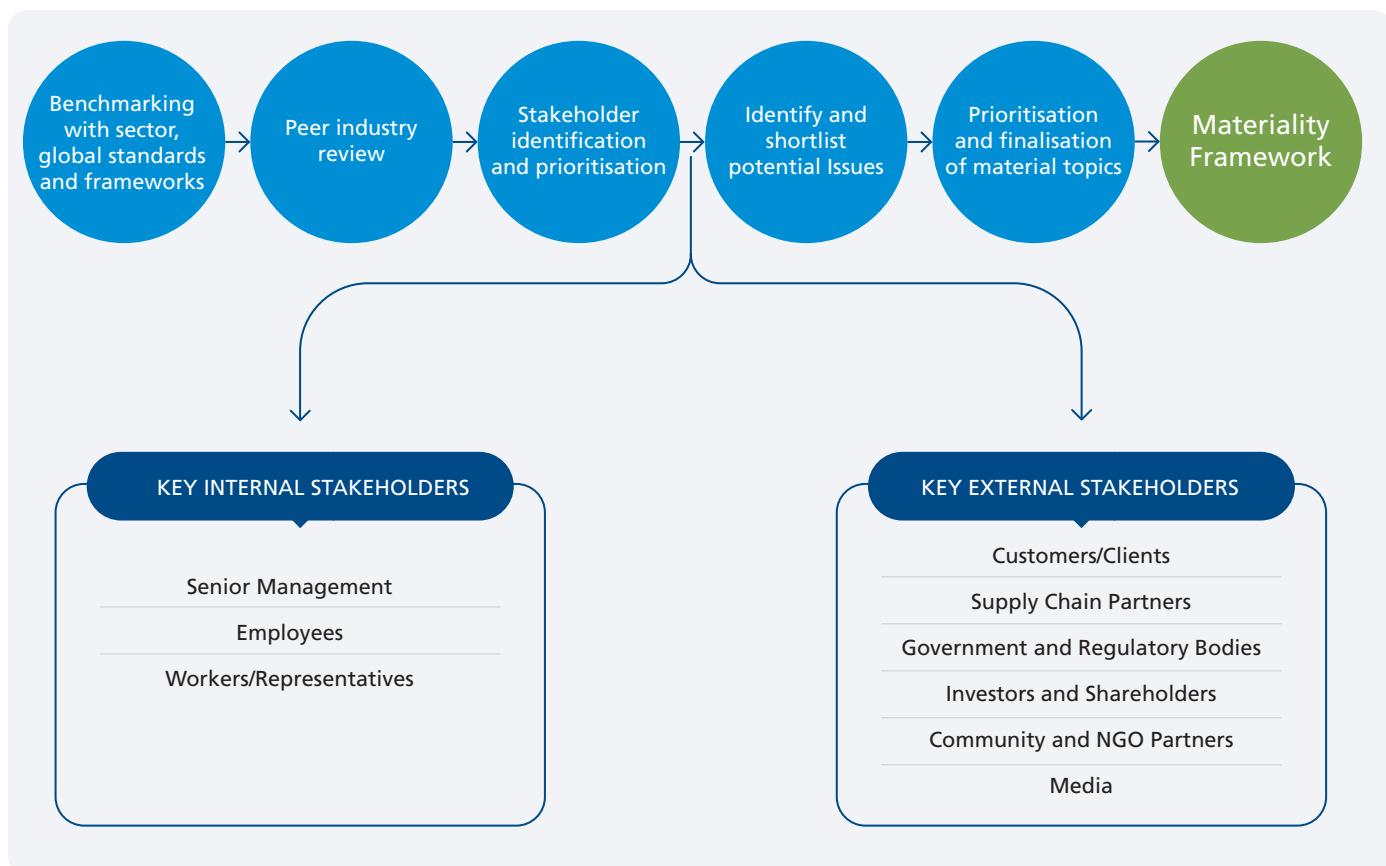
UNDERSTANDING MATERIALITY

Materiality assessment serves as a critical input to L&T's sustainability strategy, ensuring that the most significant ESG topics are identified and addressed in alignment with stakeholder expectations and the Company's long-term business objectives. The process carefully balances stakeholder concerns with the strategic importance of each topic to the business.

As a policy, L&T undertakes materiality exercise every three years, while revisiting the material topics annually. In 2022, L&T undertook a structured materiality assessment by engaging a broad spectrum of internal and external stakeholders. This process helped identify the sustainability topics most relevant to the Company's operations and value chain. To align with evolving global reporting standards and deepening stakeholder expectations, L&T initiated its first-ever Double Materiality, designed to evaluate material topics through two complementary lens:

- **Inside-Out:** The Company's actual and potential impacts on people, the environment and society
- **Outside-In:** How sustainability issues, including climate change, affect L&T's business performance, resilience and value creation

The ongoing exercise is expected to conclude during FY 2025–26. The outcomes of the double materiality will enhance the ability to identify and address critical ESG risks and opportunities, strengthen transparency and embed sustainability deeper into enterprise-wide decision-making.



MATERIAL TOPICS

There were 32 potential material topics identified that directly or indirectly impacted the business initially. Out of these, 14 material topics, which are more pertinent for short-term, medium-term, and long-term value creation from both internal and external stakeholders' perspectives, were finalised. During the year, these material topics, their relevance, and their progress are monitored and reviewed at various levels across the Company. The topics below are as follows (not ranked):

 Environment	 Social	 Economic	 Governance
Climate Action	Employee and Workforce Engagement, Well-Being, Health and Safety	Customer Experience and Satisfaction	Business Ethics
Water, Waste and Hazardous Materials Management	Human Rights and Labour Conditions	Quality of Products and Project Delivery	Brand Management
	Skilled Manpower		Data Security, Privacy and Cybersecurity
	Talent Management – Attraction, Retention and Development		
	Diversity, Inclusion and Equal Opportunity		
	Social Engagement and Impact		

←———— Sustainable Supply Chain —————→

Overview of the Material Topics

Some material topics present potential risks for the Company, requiring focused efforts on mitigation to safeguard long-term value. Others offer strategic opportunities that the Company actively leverages to enhance internal systems, drive innovation and improve overall business performance. This balanced approach enables L&T to address sustainability challenges while unlocking value through responsible practices.

Legend	Climate Action
 Material topic identified	
 Why is it material?	
 In case of risk, approach to adapt or mitigate	
 Natural Capital  Manufactured Capital  Human Capital  Intellectual Capital  Social and Relationship Capital  Financial Capital	<ul style="list-style-type: none"> ■ Significant exposure to emerging and climate-related physical and transitional risks due to the nature of the business. ■ These risks could adversely impact Company's resources, assets, performance and business continuity. ■ Failure to adaptation can erode competitive advantage and may lead to regulatory penalties. ■ Deployment of innovative technologies to tackle climate change can usher in opportunities for new streams of revenue, increased operational efficiencies and competitive advantage. ■ Opportunities emerge from initiatives being undertaken for increasing renewable energy sourcing, reducing water consumption and business offerings which have positive impact on the environment.
 Positive  Negative  Both	<ul style="list-style-type: none"> ■ Climate risk management integrated into the Company's Enterprise Risk Management framework, ensuring a structured and forward-looking approach to identifying and addressing climate-related risks. ■ Have set ambitious targets for Carbon Neutrality by 2040 and Water Neutrality by 2035 and actively implementing strategies across operations to achieve these goals. ■ To enhance operational resilience, project schedule is designed with appropriate buffers to accommodate potential disruptions caused by extreme weather events. ■ Strategically diversifying the portfolio by expanding into green businesses, thereby aligning its growth trajectory with low-carbon and climate-resilient pathways. ■ Board-level Committee governs sustainability-related operational and financial risks and performance.
 Financial Implications	<i>Refer to 'Natural Capital' for more details.</i>
 Risk  Opportunity	 SO-III  SO-IV  Natural Capital  Manufactured Capital  Financial Capital
	  

Water, Waste and Hazardous Materials Management

- Improper management of waste generated from operations - particularly hazardous waste - poses significant environmental and social risks, including potential impacts on surrounding communities.
- Sustainable sourcing of natural materials such as aggregates and soil remains a key area of concern, especially in ecologically sensitive regions.
- Waste management is an integral component of the Company's EHS management system.
- Compliance with applicable laws and regulations governing the handling, storage and disposal of both hazardous and non-hazardous waste.
- Waste management proactively addressed through structured protocols and monitoring mechanisms.
- At operational sites, recycling and reuse of non-hazardous waste being actively pursued to reduce environmental impact and support circular economy objectives.
- Sourcing of natural materials such as aggregates and sand is also being monitored closely, especially in regions where resource depletion is a concern.
- Implementing wastewater recycling systems and rainwater harvesting across key locations to reduce freshwater dependency and enhance water resilience.

Refer to 'Natural Capital' section for more details.



Employee and Workforce Engagement, Well-being, Health and Safety

- Inherent nature of operations can expose the workforce to occupational risks and hazards, potentially affecting their health, safety and productivity.
- Ineffective management of health and safety can expose the workforce to risks.
- Safety incidents can lead to reduced workforce productivity, morale, loss of skilled man-hours.
- Subsequently, adverse impact on operations, customer satisfaction and profitability.
- Effective engagement fosters high retention rate, employee satisfaction and effectiveness, and reduces employee turnover rate.
- Comprehensive approach to occupational health and safety, integrating preventive measures, training and compliance with regulatory standards.
- Certified with ISO 45001:2018 and other global standards.
- Focus on lead indicators and preventive measures over incident management.
- Training and awareness conducted extensively to implement processes and systems.
- Holistic well-being strategy adopted, addressing both physical and mental health needs of employees.
- Mental health awareness programmes, counselling, coaching and sensitisation workshops are also being organised for employees to enable them to handle challenging situations.

Refer to 'Human Capital' section for more details.



Legend

Material topic identified

Why is it material?

In case of risk, approach to adapt or mitigate



Natural Capital



Manufactured Capital



Human Capital



Intellectual Capital



Social and Relationship Capital



Financial Capital

Financial Implications

Positive

Negative

Both

Risk or Opportunity

Risk

Opportunity

Legend
 Material topic identified
 Why is it material?
 In case of risk, approach to adapt or mitigate
 Natural Capital
 Manufactured Capital
 Human Capital
 Intellectual Capital
 Social and Relationship Capital
 Financial Capital
Financial Implications
 Positive
 Negative
 Both
Risk or Opportunity
 Risk
 Opportunity

Human Rights and Labour Conditions

- Nature of operations and the engagement of a large number of contractual workers present potential human rights risks.
- Non-adherence to labour laws or human rights violations - even within the supply chain - could result in reputational damage and regulatory consequences.
- Such violations may lead to increased compliance costs, operational disruptions and stakeholder concerns.
- Established a Sustainable Supply Chain Policy and Supplier Code of Conduct.
- Grievance redressal mechanism for employees and workers in place to address concerns in a timely and transparent manner.
- ESG assessment of critical suppliers conducted during the year to ensure alignment with human rights and labour standards.
- Training and awareness programmes conducted for employees, workers and suppliers to reinforce ethical labour practices and regulatory compliance.
- Human Rights Due Diligence is conducted at sites and facilities to understand the risks and any gaps in the existing processes.
- Key manufacturing facilities certified with SA8000.
- Adherence to applicable labour regulations, supplier code of conduct and periodic assessments to mitigate these risks.

Refer to 'Human Capital' section for more details.



Skilled Manpower

- Delivering high-quality output and meeting strict contract timelines require a consistently available pool of skilled and semi-skilled workers.
- The industry is facing an increasing shortage of skilled manpower, driven by rising demand across sectors and limited supply from formal training ecosystems.
- High attrition among contract workers further compound the challenge and add to risks linked to project continuity, quality and safety performance.
- On-site training programmes are conducted by specialised training bodies (Construction Skills Training Institutes and Skills Hubs) to upskill workers based on specific project requirements.
- Dedicated team responsible for planning and sourcing of contractual workers, ensuring timely availability of skilled manpower.
- Head-HR for Workmen appointed to oversee effective sourcing, deployment, development, management and retention of workers.
- Central Workmen Mobilisation Cell (CWMC) formed to consolidate worker requirements across businesses, collaborate with IR heads and Head-HR for Workmen, and arrange mobilisation of workers from various sourcing centres.
- Task Force for Subcontractor Management formed to dwell on aspects of subcontractor development, rewards and recognition, retention of workersmen, streamlined timely payment, workmen welfare and ensuring implementation of improvement ideas in collaboration with businesses.



Talent Management - Attraction, Retention and Development

- One of the key drivers of L&T's success, directly influencing innovation, project execution, client satisfaction and long-term competitiveness.
- Effective talent management encompasses hiring the right people, reducing attrition, enhancing productivity and building industry-specific capabilities.
- Strong leadership pipeline essential for business continuity and succession planning, especially in a complex and evolving infrastructure and EPC environment.
- Shortfalls in attracting, developing, or retaining talent may lead to operational inefficiencies, delays and reduced organisational agility.
- Traditionally, this sector faces challenges such as limited workforce diversity and shortage of future-ready talent.
- Customised learning and development programmes offered in partnership with leading educational institutions, tailored to different skill requirements and organisational levels.
- Leveraging digital platforms for training delivery, feedback, and employee engagement, ensuring accessibility, scalability and effectiveness in talent development.
- Strategic talent management enables the Company to stay resilient, reduce attrition, adapt to emerging technologies and support its long-term sustainability and growth ambitions.

Diversity, Inclusion and Equal Opportunity

- A diverse and inclusive workplace helps attract top talent across genders, geographies and backgrounds, crucial in a competitive talent market.
- Diversity of thought, experience, and perspective contributes to more innovative solutions
- Inclusive workplaces foster a sense of belonging, which boosts morale, productivity and organisational commitment.
- Strengthens brand image and investor confidence.
- As L&T expands into new markets and hires younger, more diverse talent, fostering an inclusive culture becomes essential for long-term growth. Includes not only hiring without any prejudice or discrimination, but also inculcating the right set of attitudes and behaviours within the employees through awareness and training, and building a culture of trust and commitment.

Legend

■ Material topic identified

■ Why is it material?

■ In case of risk, approach to adapt or mitigate



Natural Capital



Manufactured Capital



Human Capital



Intellectual Capital



Social and Relationship Capital



Financial Capital

Financial Implications

+ Positive

- Negative

± Both

Risk or Opportunity

! Risk

★ Opportunity

SO-I SO-III SO-IV SO-V

SO-V

! !

! !

+ | ! !

+ | !

Legend

- Material topic identified
- Why is it material?
- In case of risk, approach to adapt or mitigate

-  Natural Capital
-  Manufactured Capital
-  Human Capital
-  Intellectual Capital
-  Social and Relationship Capital
-  Financial Capital

Financial Implications

-  Positive
-  Negative
-  Both

Risk or Opportunity

-  Risk
-  Opportunity

Social Engagement and Impact

- Integral to the Company's strategy, business objectives, and aligned with societal needs.
- Enhances the Company's reputation, builds stakeholder trust and fosters goodwill among communities, customers and investors.
- Instils a sense of purpose and pride, fostering greater engagement and loyalty amongst employees.
- Community-focused programmes and sustainable practices not only benefit society but also contribute to the Company's long-term sustainability goals, creating shared value for both the business and its stakeholders.

Customer Experience and Satisfaction

- High customer satisfaction and experience lead to loyalty, positive brand perception, long-term growth and relationships, directly impacting the financial performance of the Company.
- Enhanced customer satisfaction is key to thrive in a progressively competitive landscape.
- Offering superior quality of products and services, demonstrating high responsiveness to customers.
- L&T strives to strengthen and maintain its customer-centric approach by focussing on first-time-right quality, timely execution and continuous improvement through feedback.



SO-V



+



SO-I

SO-III
SO-IV
SO-V

+



Quality of Products and Project Delivery

- Fundamental to L&T's success, directly impacting customer satisfaction and brand reputation.
- Timely, high-quality product and project delivery is essential, especially in the competitive EPC sector, where clients demand cost-effectiveness, safety and on-time execution.
- Non-compliance with quality standards or project delays can damage the Company's reputation, lead to cost overruns and result in loss of business.
- Increase in repeat business.
- Quality assurance systems and continuous improvement in practices, along with industry certifications (e.g. ISO 9001) help maintain high standards and drive operational excellence.
- Fosters innovation in project delivery, supporting cost optimisation, sustainability and client satisfaction.



SO-I SO-III SO-V

|

Business Ethics

- Core values of L&T – Integrity, Transparency, Professionalism, Accountability and Fairness – enabled the Company to acquire trust and build a strong brand.
- Upholding the core values require crafting, implementing and strengthening the policies and procedures.
- Compliance to SOPs can be a challenge due to the nature and wide expanse of the businesses, large workforce and frequent changes to regulatory requirements.
- Incidents of non-compliance and breach can expose the Company to legal and financial risks, tarnish brand reputation.
- Spearheaded by the Board and supported by the Board Committees.
- Clear policies, procedures, code of conduct and management systems are in place to foster ethical behaviour.
- Regular training on Code of Conduct (including business ethics) provided to employees.
- Fair and timely disclosures regarding its performance to key stakeholders.
- Whistleblower Policy establishes a vigil mechanism, allowing employees and supply chain partners to report concerns about unethical behaviour, fraud, or violations of the Company's ethics policies.
- Third-party review of the existing Ethics Framework and recommendations.

Please refer to Annexure 'B' – Report on Corporate Governance for further details.

SO-I SO-II SO-III SO-IV SO-V

|

Legend

Material topic identified

Why is it material?

In case of risk, approach to adapt or mitigate

Natural Capital

Manufactured Capital

Human Capital

Intellectual Capital

Social and Relationship Capital

Financial Capital

Financial Implications

Positive

Negative

Both

Risk or Opportunity

Risk

Opportunity

Legend

- Material topic identified
- Why is it material?
- In case of risk, approach to adapt or mitigate

-  Natural Capital
-  Manufactured Capital
-  Human Capital
-  Intellectual Capital
-  Social and Relationship Capital
-  Financial Capital

Financial Implications

-  Positive
-  Negative
-  Both

Risk or Opportunity

-  Risk
-  Opportunity

Brand Management

- Critical for building equity, loyalty and stakeholder confidence in L&T.
- A strong brand reinforces customer trust, enhances business growth and drives market differentiation in a competitive landscape.
- Vital role in attracting and retaining talent, as well as instilling confidence among shareholders and investors.
- Consistent and positive brand perception contributes to reputation resilience, supports long-term value creation and enhances L&T's position as a responsible and reliable organisation.



SO-I SO-II SO-III SO-IV SO-V

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Data Security, Privacy and Cybersecurity

- With the increasing digitalisation of its operations, L&T faces heightened cybersecurity risks, making the protection of both Company and customer data a critical priority.
- Any breach or cyber incident can compromise business continuity, damage reputation and lead to significant financial and legal consequences.
- Ensuring data security and privacy is essential for maintaining stakeholder trust, especially when dealing with sensitive project information and client data.
- Robust cyber risk management, continuous monitoring and employee awareness are vital to safeguard the Company's digital assets and operational reliability as digital transformation accelerates.
- Multi-year cybersecurity and resiliency roadmap of the Company and invested in state-of-the-art security platforms.
- Policies and practices in place to meet the requirements and certified with ISO/IEC 27001:2022.
- Advanced Security Operations Centres to monitor developments 24x7 and respond to any cyber incidents.
- Vendor and third-party cyber risks addressed through due diligence processes and continuous risk monitoring using digital rating tools.
- Contractual clauses ensure that critical service providers maintain cybersecurity resilience.
- Aligned with the Digital Personal Data Protection (DPDP) Act, 2023

SO-IV

 | 

Sustainable Supply Chain

- L&T's large and diverse supplier base makes supply chain sustainability a critical issue - both as a risk and a strategic opportunity.
- Risks include non-compliance with labour laws, human rights violations, environmental damage and ethical misconduct by suppliers, which can lead to reputational harm, project delays and regulatory penalties.
- Disruptions due to climate-related events, resource scarcity or geopolitical instability in the supply chain can also impact project timelines and cost.
- On the opportunity side, promoting a sustainable and resilient supply chain enables L&T to improve efficiency, drive innovation and enhance vendor performance.
- Sustainable supply chain also supports customer trust and ensures alignment with global sustainability expectations of customers.

- The Company has established comprehensive policies, processes and a Supplier Code of Conduct to drive responsible business practices across its value chain.
- Signing the Code of Conduct is a mandatory step in the onboarding process for all supply chain partners.
- Initiated ESG assessments of critical suppliers to evaluate performance and identify improvement areas.
- ESG awareness sessions conducted to keep suppliers informed about emerging ESG expectations and L&T's sustainability priorities.

Refer to 'Social and Relationship Capital' for more details.

Legend

 Material topic identified

 Why is it material?

 In case of risk, approach to adapt or mitigate

 Natural Capital

 Manufactured Capital

 Human Capital

 Intellectual Capital

 Social and Relationship Capital

 Financial Capital

Financial Implications

 Positive

 Negative

 Both

Risk or Opportunity

 Risk

 Opportunity



SUSTAINABILITY GOVERNANCE AND MANAGEMENT

L&T has embedded sustainability at the heart of its strategic approach through a robust governance framework. This framework is designed to incorporate ESG principles into decision-making processes, with a strong focus on transparency and accountability. By integrating ESG principles into its management processes, the Company aims to generate long-term value for all its stakeholders.

Strategy

As part of the Lakshya 2026 plan, the Company re-evaluated shareholder value creation, defined social obligations and established sustainability goals. This assessment led to the re-articulation of the Company's Strategic Objectives (SOs), which help drive initiatives for sustained value creation. In the upcoming five-year plan, Lakshya 2031, the Company will re-assess strategy, targets and initiatives for sustainability.



Implementation

L&T has established a multi-tiered governance structure to oversee and implement its sustainability strategy effectively. The sustainability agenda is guided by the CSR & Sustainability Committee of the Board and driven by Executive Committee members across the businesses.

Board Oversight

The Board Committee plays a critical role in driving sustainability by setting strategic priorities and ensuring alignment with national and global sustainability standards. The CSR & Sustainability Committee provides tactical guidance and ensures alignment of sustainability initiatives with priority and materiality. The Committee monitors the Company's sustainability performance through a structured meeting held every quarter and reviews the annual disclosures through Integrated Report and BRSR. The terms of reference of the committee on sustainability are as follows:

- Formulate and recommend to the Board a Sustainability Policy and suggest any changes thereto;
- Provide guidance for the development of the long-term Sustainability Plan;
- Monitor implementation of the Sustainability Plan from time to time;
- Review of the Company's Business Responsibility and Sustainability Report (BRSR).

Executive Leadership

This comprises the Executive Committee, senior leaders at the business level and corporate functions who ensure the implementation of sustainability policies and integration of ESG factors into operational decision-making across the various businesses. The Executive Committee reviews the sustainability performance on a monthly basis.

Councils and Committees

The Company has constituted various in-house councils and committees to help formulate policies, drive implementation and monitor performance against the targets for specific areas across different businesses and functions. These Councils meet at least once in a quarter or on a need basis.



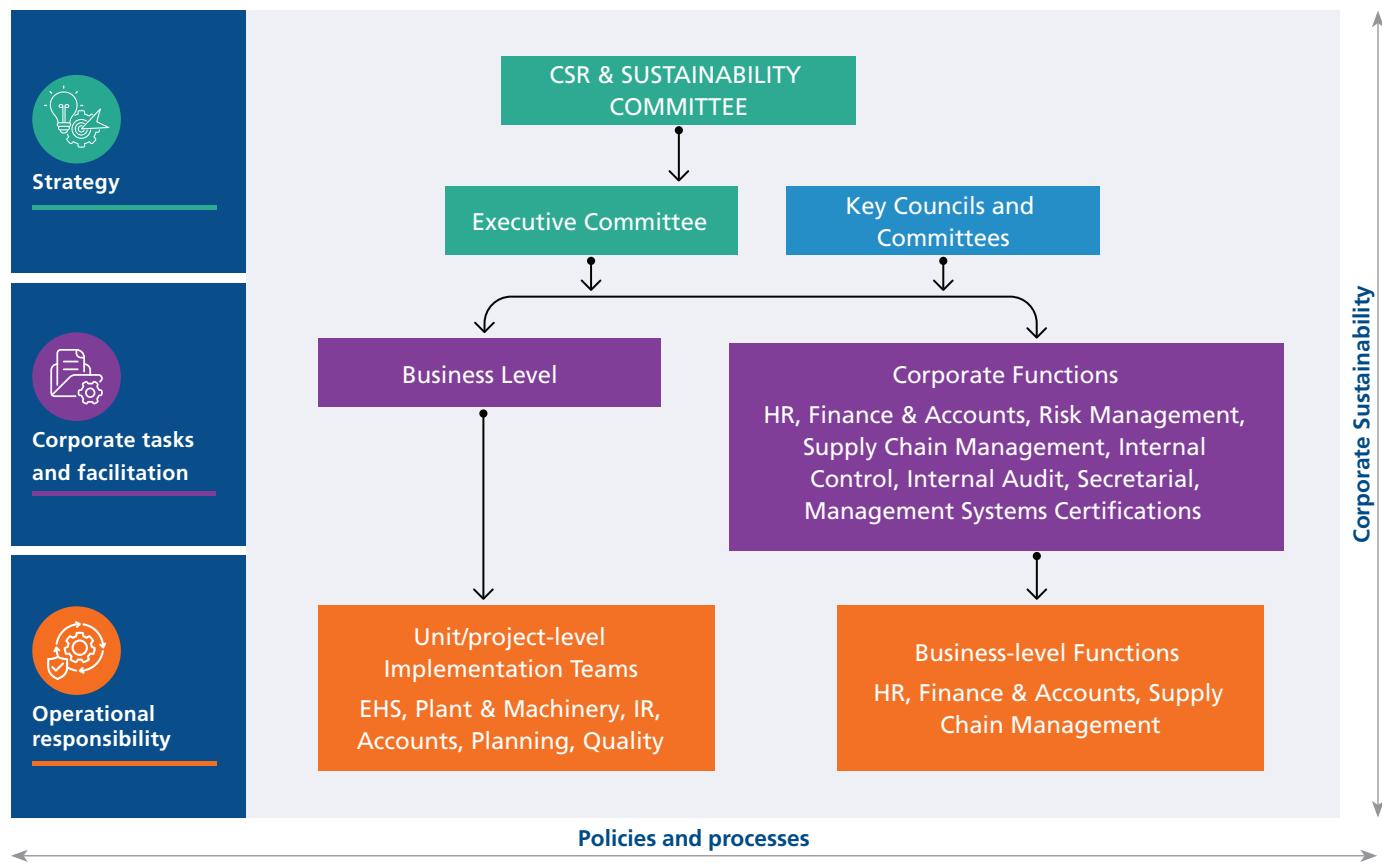
COUNCILS AND COMMITTEES	SCOPE	HEADED BY AND CONVENED BY
 Group CSR Council	Comprising members across the Group companies, the council ensures alignment of CSR initiatives to the overall Group vision and strategy, collaboration for effective execution, and leveraging synergies in community development efforts	Group CFO, Head - CSR
 HRC Council	Focuses on improving and implementing HR policies and procedures for talent retention, recruitment, learning & development, skilling, leadership development, super specialised skill development, and other related areas	Group CFO, CHRO
 EHS Council	Aims to make EHS processes more robust, institutionalise best practices and help achieve the Company's 'Mission Zero Harm'	Deputy MD, Head - EHS of one of the businesses
 Green Campus / Sustainability Task Force	Focuses on setting targets linked to the environment, driving the implementation of Carbon and Water Neutrality plans, and identifying improvement areas	Deputy MD, Head - Strategy and Special Initiatives
 Material Council	Helps formulate strategies for common procurement of key products and commodities, leading to enhanced cost savings, supply chain risk management, and creating and cascading best practices in supplier management techniques and sustainability in the supply chain	Whole-time Director, Head - Supply Chain Management
 Group IT & Cybersecurity Council	Apex level council focuses on strategic decisions related to IT systems and infrastructure management, cybersecurity management, and implementation of policies and procedures	Whole-time Director, Chief Information Officer
 Quality Council	Apex level council aims for continuous improvement of quality across the Company by integrating quality leadership in its diverse businesses through collaboration and leveraging cross-learning	Whole-time Director, Head - QA & QC of one of the businesses

Corporate Sustainability

A dedicated team at the Company, headed by a Chief Sustainability Officer, is responsible for formulating key policies, monitoring sustainability performance, driving ESG initiatives, ESG capacity building, and engaging with stakeholders. The team is responsible for providing periodic updates and reviews of sustainability performance to the Board Committee and the Executive Committee.

Business Level

Comprises representatives from various business verticals, facilitates collaboration, and ensures that sustainability goals are met across all operations, facilities and projects.



Policies and Commitment

L&T's sustainability governance is guided by well-defined policies and commitments. The policies are available at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>. Some of the key policies are:

- **Sustainability Policy:** Outlines the Company's commitment to responsible business practices, climate action, and stakeholder engagement
- **Code of Conduct:** Ensures ethical business conduct and compliance with regulatory requirements
- **Sustainable Supply Chain Policy:** Lays down the fundamental standards and states the expectations from supply chain partners with respect to environment protection, health & safety norms, labour standards, human rights, ethical business practices, and good governance
- **EHS Policy:** Identifies and mitigates sustainability risks in operations and supply chains, focussing on creating and ensuring a healthy and safe workplace
- **Equal Opportunity Policy:** Commitment towards fostering a diverse and inclusive workplace by providing equal opportunities in employment and career growth
- **Anti-Bribery and Anti-Corruption Policy:** Uphold a zero-tolerance stance on bribery and corruption, ensuring adherence to all pertinent laws across its operations



Reporting and Transparency

The Company follows recognised international reporting standards to ensure transparency and accountability in sustainability performance. The Company publishes:

- Integrated Annual Report based on the Integrated Reporting <IR> Framework
- Business Responsibility and Sustainability Reports (BRSR) in line with regulatory requirements, which is a framework mandated by the Securities and Exchange Board of India (SEBI) for the top 1,000 listed entities to disclose their ESG performance
- ESG performance updates to stakeholders, investors, and rating agencies
- Other disclosures such as CDP and ESG Ratings such as MSCI and CRISIL



Sustainability Initiatives and Governance Impact

The strong leadership and commitment have enabled the Company to implement several initiatives, including:

- **Decarbonisation Roadmap:** Setting targets for reducing greenhouse gas emissions and increasing renewable energy adoption
- **Water Neutrality Roadmap:** Setting targets for reducing water consumption, reducing freshwater withdrawal, and creating offset through water conservation from CSR projects
- **Sustainable Supply Chain Management:** Engaging with suppliers to adhere to ESG standards, carrying out ESG assessment of critical supply chain partners and helping them improve their sustainability framework
- **Employee Engagement and Training:** Conducting workshops and training programmes to build sustainability awareness
- **Stakeholder Engagement:** Collaborating with customers, investors, and regulatory bodies to advance sustainability goals
- Other initiatives such as refraining from Single-Use Plastic and making the various manufacturing facilities of the Company 'Zero-Waste to Landfill'-certified

L&T's sustainability governance framework ensures that ESG principles are embedded in every aspect of its operations. By fostering a culture of responsibility, transparency and innovation, the Company continues to strengthen its sustainability performance while creating long-term value for stakeholders. It remains committed to evolving its governance mechanisms to address emerging sustainability challenges and opportunities.



Management Systems

The Company has implemented various management systems based on globally recognised standards, e.g., ISO 9001, ISO 14001, and ISO 45001, which provide structured, reliable, and enhanced processes to implement various policies, thereby leading to better quality, increased efficiency, and better credibility and trust with customers, partners and stakeholders.

Some critical systems, e.g., Quality Management Systems, Environment Management Systems, Occupational Health & Safety Management Systems, and/or Integrated Management Systems (IMS), have been implemented across all the business units of the Company, while some systems, e.g., Energy Management System (ISO 50001),

Social Accountability (SA8000), Information Security Management System, and Risk Management System have been implemented in a few businesses, locations or functions, e.g., manufacturing facilities, IT systems.

These management systems are certified by third-party verification agencies, e.g., DNV India, TUV-Nord, and LRQA, against the applicable standards and as per certification or re-certification period. New certifications are also being explored, such as Artificial Intelligence Management Systems, Anti-Bribery Management Systems, HR Management Systems, Diversity & Inclusion, Gender Equality, Women Empowerment, and so on.



Anti-Bribery and Anti-Corruption (ABAC) Disclosure

L&T is committed to maintaining the highest standards of integrity, transparency and ethical business conduct. The Company has a zero-tolerance policy for bribery and corruption and actively works to prevent and mitigate risks across the operations and supply chain.

Governance and Oversight

The senior management oversees the anti-bribery and anti-corruption efforts, ensuring compliance with Indian regulations such as the Prevention of Corruption Act, the Bharatiya Nyaya Sanhita 2023, Central Vigilance Commission Act 2003, the Lokpal and Lokayukta Act 2013, and other acts passed by various states of India, Foreign Contribution (Regulation) Act 2010, Fugitive Economic Offenders Act 2018, and any other country-specific legal frameworks and guidance. The Compliance Officer or any person authorised by the Company or a senior officer of the Company is responsible for monitoring, evaluating and resolving the ABAC policies and procedures.

Anti-Bribery and Anti-Corruption (ABAC) Policy and Procedures

The ABAC Policy is the guiding framework for ensuring compliance with various legislations and standards of behaviour to which all must adhere, enforcing that, wherever the Company operates, it does not engage in any activity amounting to bribery, corruption or other unethical business practices. The policy applies to all employees working at all levels and grades of the Company, including Board members, senior managerial personnel and fixed-term contract employees.

For any other third-party transactions, the Code of Conduct for Suppliers is applicable, which is extended to all suppliers who do business with the Company, including contractors, subcontractors, vendors, consultants, agents, business partners, collaborators and others who work for or supply goods and services to L&T, including their personnel (employees, vendors or sub-contractors).

Key components include:

- Prohibition of and strict 'zero tolerance' policy against corruption, bribery, giving or receipt of facilitation payments in any form
- Compliance with applicable laws and political contributions
- Thorough due diligence prior to engaging or appointing any third party
- Monitoring and enforcement mechanisms, including procedures to deal with potential violations, record keeping and reporting

To ensure a culture of compliance, the Company conducts Ethics and Code of Conduct training for *employees, including non-permanent employees*, during the year.

Performance Metrics and Reporting

The Company regularly tracks and reports on anti-bribery and anti-corruption performance. During the year, the Company faced **zero** fines or regulatory penalties related to bribery or corruption.



77%

of the employees completed training on Code of Conduct online module



Approach to Business Ethics

The Company is committed to upholding the highest standards of ethics and integrity in all aspects of the business. Ethics Audit is a key component of the sustainability strategy, ensuring transparency, accountability and adherence to ethical business practices. Following is the approach to assessing ethical performance and steps for continuous improvement.

Governance and Ethical Leadership

Ethical leadership is embedded in the corporate governance framework. The leadership and senior management oversee ethical compliance, ensuring that the operations align with global best practices. Key elements include:

- A clearly defined Code of Conduct for Board Members and Senior Management
- Code of Ethics and Conduct, applicable to all employees, suppliers and stakeholders
- Regular ethics training programme for employees at all levels
- A whistleblower protection mechanism to encourage reporting of unethical behaviour without fear of retaliation

Whistleblower Policy and Mechanism

The Whistleblowing Policy enables employees, stakeholders and third-parties to report concerns related to fraud, corruption, unethical behaviour, or any violation of the Company policies without fear of retaliation. The key features include:

- Confidentiality and Anonymity: Whistleblowers' identities are fully protected
- Non-Retaliation: The Company ensures that no whistleblower faces discrimination or retaliation for reporting in good faith
- Reporting Channels: Concerns can be reported via email, orally (later converted into written), or post
- Investigation Process: All complaints are reviewed by an independent Whistleblowing Investigation Committee, ensuring fair and prompt action
- Accountability: If misconduct is substantiated, appropriate corrective measures and disciplinary actions are taken

Whistleblowing Policy for Vendors provides a secure and confidential platform to report any unethical conduct, fraud, corruption, or violation of legal and contractual obligations related to the Company's business operations. The key features include:

- Confidential and Anonymous Reporting: Vendors can report concerns without fear of identity disclosure
- Non-retaliation Assurance: The Company ensures protection against any adverse action for whistleblowers reporting in good faith
- Multiple Reporting Channels: Complaints can be raised via a dedicated email or post
- Independent Investigation: All reports are assessed objectively by Corporate Audit services
- Strict Action against violations: Proven cases result in corrective measures, including contractual actions or legal recourse

The Company encourages a culture of openness and ethical responsibility, reinforcing its commitment to corporate governance and compliance. The Company encourages its vendors to uphold ethical standards and report any concerns, fostering a transparent and responsible business environment.

External Ethics Audit

During the year, the Company assigned an independent third-party to review the existing Ethics Framework and provide recommendations. The key policies and procedures included in the review are as follows:

- Code of Conduct for Board Members and Senior Management
- Code of Conduct for Employees
- Code of Conduct for Suppliers
- Whistleblower Policy for Employees
- Whistleblower Policy for Vendors and Channel Partners
- Anti-Bribery and Anti-Corruption Policy and Compliance Procedures

Based on the review and suggestions made by the third-party, improvement areas were identified and discussed at the Executive Committee. These identified issues were taken up by the respective policy custodians and addressed by making suitable changes in the policies and procedures.

Key recommendations and improvements are given below:

- Enhance ABAC compliance procedures, including timelines for investigations, documentation, third-party risk assessments and measures to protect whistleblowers from retaliation
- Strengthen due diligence and approval processes prior to the engagement or appointment of third-parties
- Reinforce the Code of Conduct for employees, particularly in areas such as conflict of interest and participation in political activities
- Enhancement in procedures for the investigation and resolution of whistleblower complaints
- Expand and strengthen ethics training programmes with the goal of achieving 100% employee coverage
- Strengthen the Code of Conduct and Whistleblower policy for suppliers

The Company remains dedicated to upholding ethical business practices and fostering a culture of integrity. The efforts to meet the highest global standards and stakeholder expectations will continue

Prevention of Sexual Harassment (POSH) Policy

L&T is committed to providing all employees a safe, respectful and inclusive workplace. The Prevention of Sexual Harassment (POSH) Policy aligns with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, ensuring a work environment free from harassment. The Policy for Protection of Women's Rights at Workplace has been formulated to guide the Company in redressing sexual harassment-related complaints. This policy is based on the laws of India and applicable to all its establishments located in India, encompassing all employees, and contract workers. This policy also protects anyone visiting the Company's establishments, including clients, customers, third-party contractors, vendors, suppliers, business representatives, and others. The key features are:

- Zero Tolerance Policy: The Company strictly prohibits any form of sexual harassment
- Apex Committee: Two committees have been constituted, the highest body to ensure implementation and compliance with the Act. The apex committees comprise representatives of a few ICCs and other senior leaders of the Company

- Internal Complaints Committee (ICC): Several dedicated ICCs are established to handle complaints fairly and confidentially, ensuring complete coverage of all the work (offices, projects, manufacturing facilities) locations. The constitution of ICCs is in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- Multiple Reporting Channels: Employees can report incidents via email, call or verbally to ICC/HR/senior representative
- Confidential and Impartial Investigation: Complaints are investigated with complete sensitivity, confidentiality and impartiality
- Protection Against Retaliation: Employees raising concerns in good faith are safeguarded against any form of victimisation

Awareness and Communication

- Employees: Mandatory training programme for all employees, including non-permanent staff, delivered online through a dedicated learning module
- Senior Management and Leadership: Plays a crucial role in fostering a harassment-free environment. Sessions are designed and delivered to enhance leadership accountability and reinforce ethical workplace culture.
- Workers: POSH awareness sessions are not only limited to employees but also extended to the contractual workforce. During the year, the Company has ramped up these sessions across locations.



More than
100 sessions
*conducted online and offline
covering around 9,000 employees*

Methods may vary from:

- on-site awareness sessions conducted in local vernacular languages
- posters and visual aids
- simple, easy-to-understand guidelines displayed at work sites
- part of toolbox talks, safety briefings and interactive discussions



>22,000
*employees completed POSH
online training module*



Cybersecurity

L&T has implemented a robust cybersecurity governance framework that is seamlessly integrated into its enterprise risk management and ESG strategy. This framework ensures that cybersecurity risks are managed with the highest level of oversight and accountability. Cybersecurity risks and the security roadmap are periodically presented to the Board Risk Management Committee (BRMC) and during the Apex Risk Management Committee (ARMC) meeting.

Cybersecurity is acknowledged as a critical organisational risk with significant potential impacts on financial performance and brand reputation. To ensure a cohesive approach to enterprise risk management, ESG-related risks are integrated with cybersecurity risk matrices. Key aspects include:

- **Regulatory Compliance:** Adherence to regulatory requirements, such as the IT Act, CERT-In guidelines and SEBI directives, is rigorously monitored to ensure compliance and mitigate legal risks.
- **Proactive Risk Identification:** Cybersecurity Assurance assessments are systematically conducted across all business units. These assessments proactively identify and report risks to management, enabling timely and effective risk mitigation.

By recognising and addressing cybersecurity as a top organisational risk, the Company ensures the protection of its financial performance and brand reputation while maintaining regulatory compliance and a unified risk management strategy.

A multi-layered defence strategy has been implemented, including Firewalls, Web Application Firewalls (WAF), Endpoint Detection and Response (EDR), Data Loss Prevention (DLP) and Privileged Access Management (PAM). Vulnerability assessments are conducted regularly, and a 24x7 Security Operations Centre (SOC) uses Security Information and Event Management (SIEM) tools for continuous monitoring, detection and response to cyber threats.

Also, a well-defined Cyber Crisis Management Plan is in place to respond to critical incidents. Incident response follows a structured life-cycle - detection, containment, investigation, mitigation, recovery and reporting - to ensure timely and effective action.

The Company proactively aligns with the Digital Personal Data Protection (DPDP) Act. A centralised data privacy framework is under development to ensure compliance across the organisation. Notably, no data breaches were reported in FY 2024-25.

Furthermore, cybersecurity awareness among employees is promoted through regular training programmes, newsletters, phishing simulations and quizzes. Specialised training for technical teams on incident response and application security is also conducted across the Company.

Moreover, vendor and third-party cyber risks are addressed through rigorous due diligence processes and continuous risk monitoring using digital rating tools. Contractual clauses ensure that critical service providers maintain cybersecurity resilience.

The Company's cyber assurance framework draws from international and national standards, including ISO 27001, NIST, IEC 62443 and CERT-In guidelines. The Company's businesses are certified under ISO 27001 for Information Security Management.

Cybersecurity investments are aligned with a strategic roadmap reviewed by the Executive Committee, addressing both current threat landscapes and anticipated regulatory requirements. These efforts reflect the Company's commitment to safeguarding its digital assets and ensuring business continuity in an increasingly complex cyber risk environment.

Cybersecurity is a critical component of the governance framework, ensuring that digital assets are protected and operate securely in an increasingly digital world. The Company will continuously strive to improve its governance practices, adopting innovative approaches to leverage resources and convert opportunities into achievements.



~50%

*employees completed 'CyberSankalp',
the cybersecurity online training module*

Reasonable Assurance of Environment and Non-Environment KPIs

As part of the commitment to robust ESG governance and regulatory compliance, L&T has been undertaking reasonable assurance on select BRSR Core Key Performance Indicators (KPIs) since FY 2023-24. The assurance was conducted by Deloitte Haskins & Sells LLP, an independent third-party assurance partner, 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 Institute of Chartered Accountants of India (ICAI).

Reasonable Assurance for KPIs include GHG footprint, water footprint, energy footprint, waste management, spend towards well-being measures, safety statistics of employees and workers, gross wages paid to females as % of wages paid, complaints on POSH, purchase from MSMEs and from within India, job creation in smaller towns, events related to data breach and cybersecurity and financial KPIs. This process reinforces the Company's integrity in disclosures and enhances stakeholder trust in the credibility and accuracy of sustainability reporting.

L&T is committed to maintaining the highest standards of corporate governance. The governance framework is built on a foundation of transparency, integrity and accountability, ensuring that we operate in a manner that is ethical and responsible. L&T's corporate governance philosophy is rooted in respect for human values, individual dignity, and adherence to honest, ethical and professional conduct.

The Company will continuously strive to improve the governance practices, adopting innovative approaches to leverage resources and convert opportunities into achievements. L&T is committed to enhancing stakeholder value through fair and transparent governance practices. The approach ensures that we meet the expectations of the stakeholders, including customers, employees, investors, and the community at large.



Awarded 'Silver' in Net Zero Leadership at Times Now Global Sustainability Alliance SDG Summit, 2024



Winner of India Green Infrastructure Leadership, India Climate Samman, 2025

SUSTAINABILITY HIGHLIGHTS OF FY 2024-25

The Company conducts materiality assessment to identify and prioritise the key material topics pertaining to ESG, based on the relative importance of these topics to the stakeholders and in the context of L&T's business imperatives. The assessment identified 14 important material topics, and detailed performance is stated in the respective chapters on the six capitals.

To report sustainability highlights at an overall level, at least one KPI has been selected for each material topic based on the importance attached by investors, rating agencies and regulators and these are given below.



ENVIRONMENT



Energy

69.7 GJ/₹ Cr

Energy consumption intensity

-16%*

15 %

Electricity from renewable sources

+60%*



Emissions

6.2 tCO₂e/₹ Cr

GHG emission intensity

-20%*

1.7 Mn

Saplings planted



Water

108 kL/₹ Cr

Water consumption intensity



Materials

28 %

Recycled and eco-friendly material used



Green Business

53 %

Revenue from Green Business

+19%*



* Improvement over FY 2023-24



SOCIAL



Health and Safety

4.2 Mn

Safety training man hours



Human Rights

2

Key facilities SA8000 certified

>23,000

Employees completed online training module



Workforce Skilling and Talent Management

1,11,000+

Workers covered



Diversity and Inclusion

9.1 %

Gender diversity

112

Women in senior management



Social Impact

1.9 Mn

CSR beneficiaries



GOVERNANCE



Governance & Ethics

100%

New joinees trained on CoC

Brand Management and ESG Ratings



ESG Ratings & Analytics

Rated 'Strong' in 2024



Customer Centricity

9.1

Customer Satisfaction Score out of 10

Rated 'B' for Climate Change 2024



Data Privacy & Cybersecurity

Zero

Cases of data breaches

Ranked 3rd in 'Top 200 Environmental Firms' in 2024

Sustainable Supply Chain

120

Critical supply chain partners assessed by third-party agency

88%

Critical supply chain partners rated 'Green'

NATURAL CAPITAL

L&T recognises that its operations, supply chain and growth are intrinsically linked to the health of the environment and is committed to responsible stewardship of natural capital to support sustainable value creation. Although the business activities, primarily EPC projects and high-tech manufacturing, are not classified among the most emissions- or water-

intensive sectors, the significant dependencies and potential impacts associated with land use, material sourcing, and local ecosystems are understood. These dependencies present both risks and opportunities, further shaping the environmental management strategy and long-term vision.



Key Highlights of FY 2024-25

15 % Electricity from Renewable sources

16 % Energy Consumption Intensity Reduction

2.6 Mn kL Wastewater Recycled

28 % Recycled and Eco-friendly Material Used

Strategy linkage¹



SDGs impacted



Material Topics

- Climate Action
- Water, Waste and Hazardous Material Management
- Sustainable Supply Chain
- Business Ethics
- Brand Management

¹ For details, refer to the 'Business Model and Strategy' section of this Report.

Note: For KPIs related to intensity, the denominator considered is standalone revenue in ₹ crore.

Carbon Neutrality Strategy

The Company has targeted to achieve Carbon Neutrality (viz. Scope 1 & 2 emissions) by 2040. Long-term business-as-usual (BAU) projections for GHG emissions from operations are based on FY 2020-21 baseline emissions intensity and future business growth assumptions. The roadmap to implement these strategies has been divided into short-term (1-2 years), medium-term (2-5 years) and long-term (5-15 years) horizons and aligned with the Company's 5-year strategy plan Lakshya.

Two key levers to help achieve carbon-neutral status are:



Reducing Energy Intensity



Decarbonising Energy Consumption

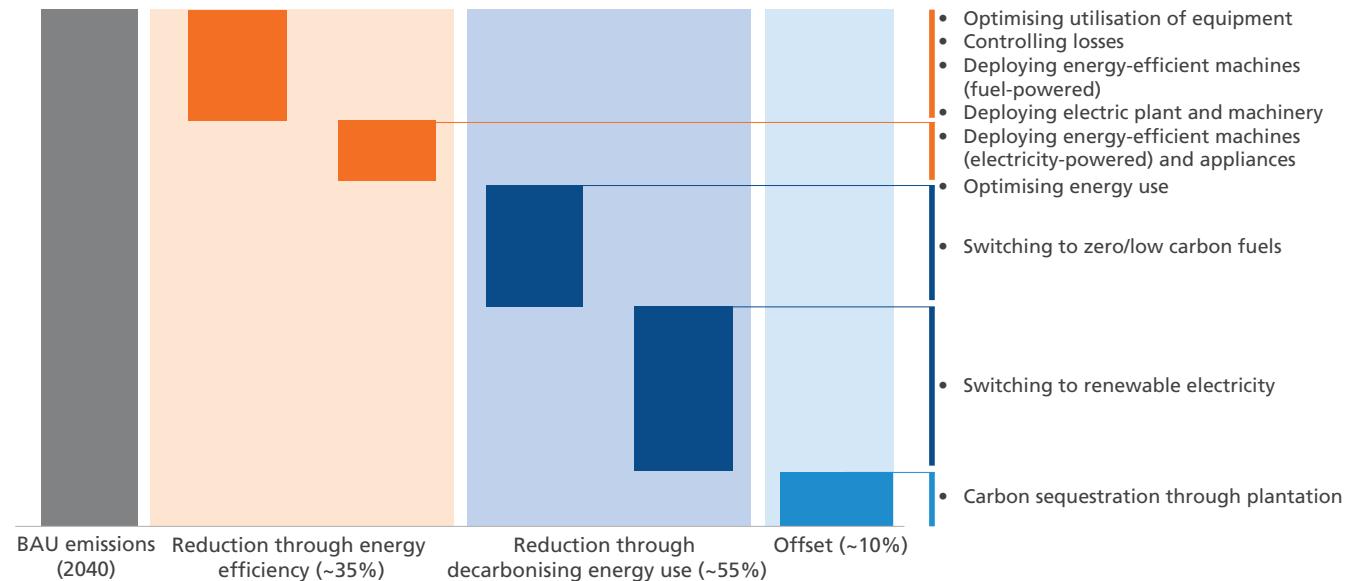
Diesel and electricity are key contributors to the Company's carbon footprint (Scope 1 and Scope 2 emissions). Diesel is used for running construction machinery used at EPC project sites and for electricity generation in many cases. It contributes over 75% to the Company's overall energy consumption, while electricity contributes around 17%.

Based on current estimates, GHG emissions are expected to peak around

FY 2025–26, followed by a gradual decline. In the medium term, the key lever for moderating emissions growth will be reducing energy consumption intensity through enhanced operational efficiency, process optimisation and energy conservation initiatives. In the long term, transitioning to renewable electricity and adopting low- or zero-carbon fuels will be pivotal in driving sustained reductions in absolute emissions.

This strategic phasing out of fossil fuels in energy consumption ensures that emissions are proactively addressed while supporting the Company's long-term growth and sustainability objectives. As the Company continues its growth trajectory, a corresponding increase in energy consumption and associated GHG emissions is anticipated. However, L&T remains committed to aligning its business expansion with a responsible and forward-looking climate strategy.

Carbon Neutrality Path



Reducing Energy Intensity

Diesel is the Company's major energy source. Cutting down on diesel consumption helps reduce both energy intensity and GHG emissions. The Company formed a task force in FY 2023-24 to explore and implement solutions to reduce diesel consumption across the business units of the Company.

Key solutions being implemented are:

Switching from Diesel Generator (DG) sets to grid electricity supply

Replacing diesel-powered equipment with electricity-powered ones

Replacing fuel-powered older equipment with more energy-efficient ones

Switching to use of hybrid or electric equipment, e.g. light masts, wheel loaders

In addition, the business units are replacing older equipment with more energy-efficient ones to reduce the consumption of electricity, e.g. Variable Frequency Drive (VFD) or Variable Voltage Variable Frequency (VVFD) to replace conventional drives, 5-star rated appliances to replace 3-star ones, auto control of lighting, and so on.

Decarbonising Energy Consumption

The Company is focusing on increasing sourcing of renewable energy for electricity consumption to decarbonise the energy consumption. Another task-force constituted is exploring solutions to be implemented at specific locations, some of which are:

Power Purchase Agreements: Solar, Wind, Hybrid (round-the-clock)

On-site solar module installation, both capex and opex modes

Open access sourcing through developers, third-parties, group captive

Green Tariff

In addition to expanding renewable electricity use, the Company has begun blending biodiesel with conventional diesel, reducing reliance on fossil fuels - a key step towards decarbonising both stationary and mobile combustion sources.

Furthermore, various business units have begun transitioning to low- and zero-carbon fuels to mitigate emissions. These include using Compressed Natural Gas (CNG), Compressed Biogas (CBG) and biomass pellets as alternatives to traditional fossil fuels.

These initiatives collectively contribute to lowering the Company's overall carbon footprint while enhancing energy source diversification and resilience.



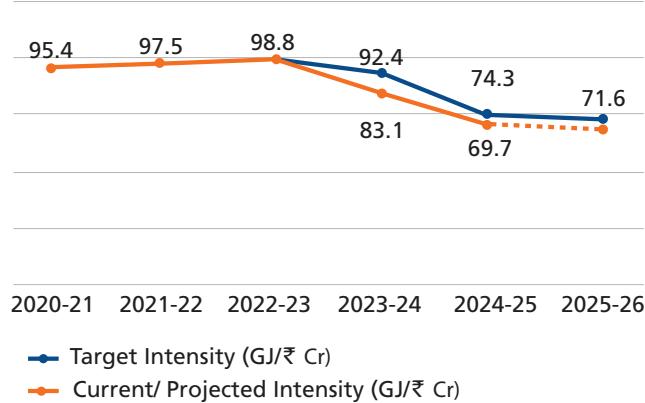
Solar panel installation at Kansbahal facility



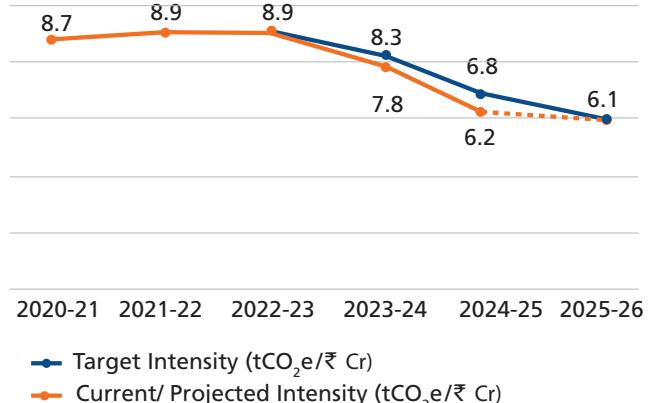
Solar panel installation at Talegaon facility

Progress on Carbon Neutrality Path

Energy Intensity Reduction Path



Emission Intensity Reduction Path



Water Neutrality

The Company's water footprint is predominantly influenced by consumption at project sites, particularly for civil works within EPC projects. Water is a critical input for various construction activities and its use is largely determined by technical specifications and the nature of work being executed.

Further, the water consumption pattern at project sites is non-linear and varies across the project life-cycle. For e.g., in a metro rail project, water usage tends to peak during the initial phases, especially when precasting and piling are undertaken. As the project progresses to the installation of precast girders and finishing works, water demand typically tapers off.

Understanding such dynamic usage patterns is essential for effectively planning and managing water resources. The Company continues to explore opportunities for optimising water use, promoting reuse and recycling, and deploying efficient construction practices to minimise freshwater requirement.

To achieve Water Neutrality by 2035, the Company is focusing on three levers:

Reducing water consumption intensity through water-efficient equipment and processes

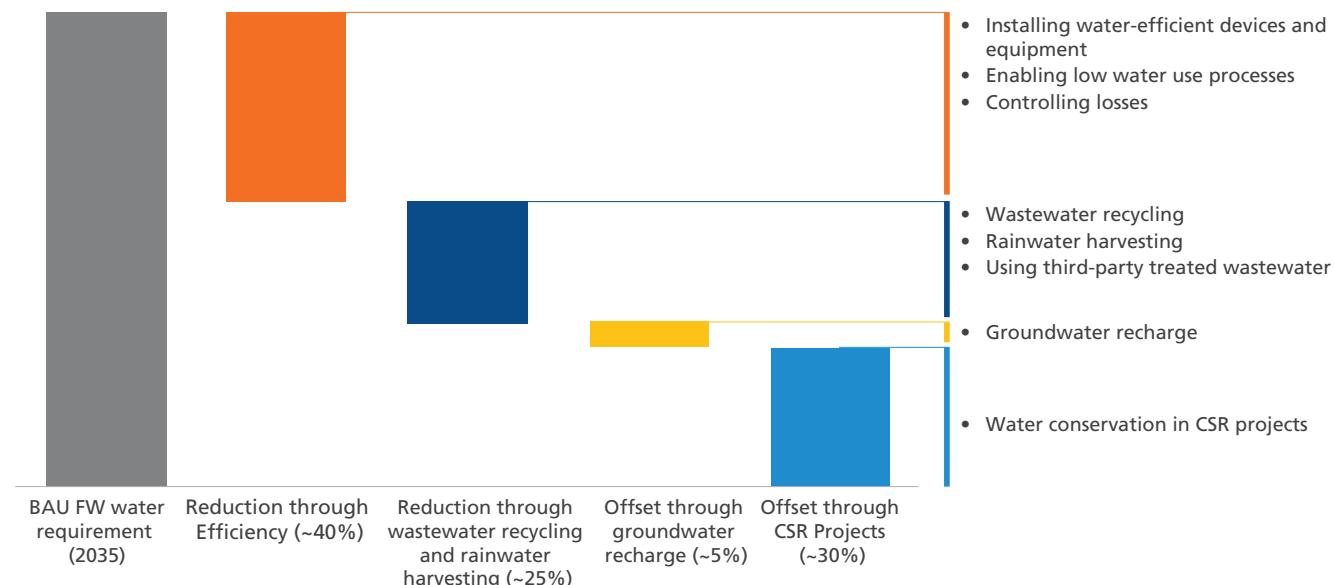
Reducing freshwater consumption through wastewater recycling, rainwater harvesting and use of treated wastewater from other sources

Water offset through groundwater recharge and water conservation in CSR projects



To achieve water neutrality, offsetting through water conservation in CSR projects and groundwater recharge would play a significant role.

Water Neutrality Path



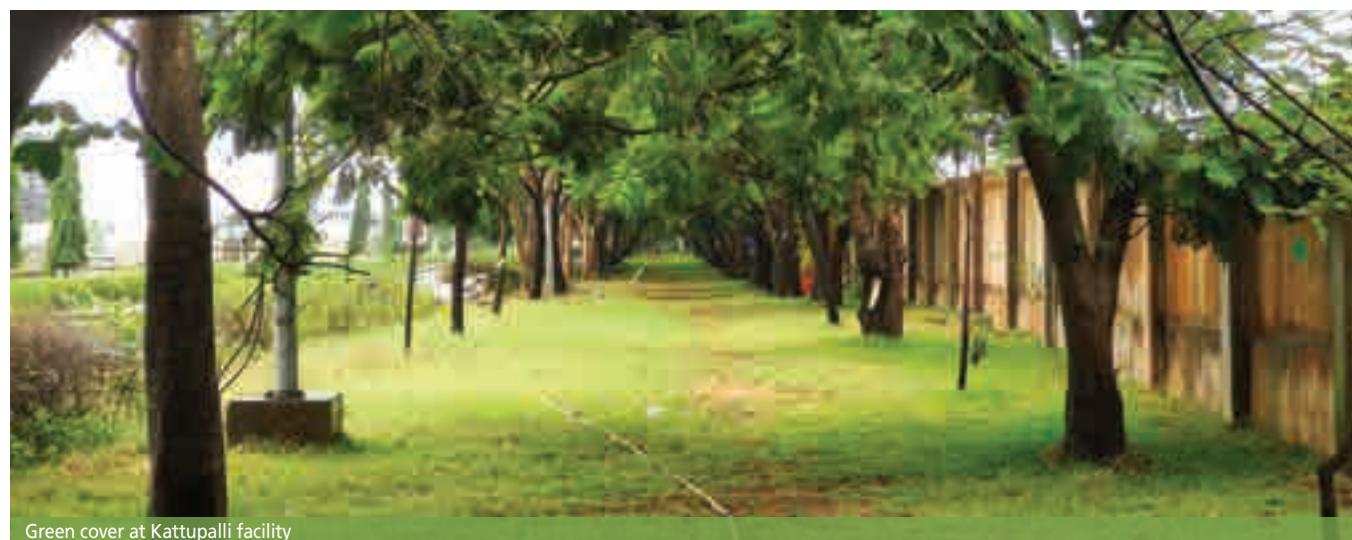
Lakshya 2026 Targets on Natural Capital

The Company had set medium-term targets for carbon neutrality, water neutrality and other areas that are a part of the current Lakshya 2026 strategy plan. Based on the progress made, the targets have been revised and these are:

30%
Emissions Intensity Reduction
(w.r.t FY 2020-21 Baseline)

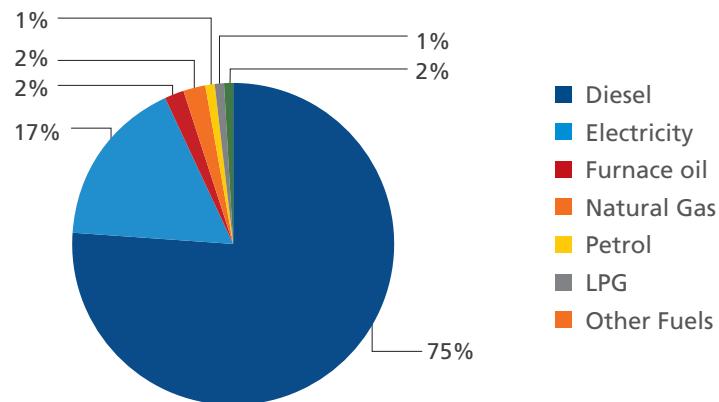
25%
Energy Intensity Reduction
(w.r.t FY 2020-21 Baseline)

1.5 - 2 Mn
Plantation every year

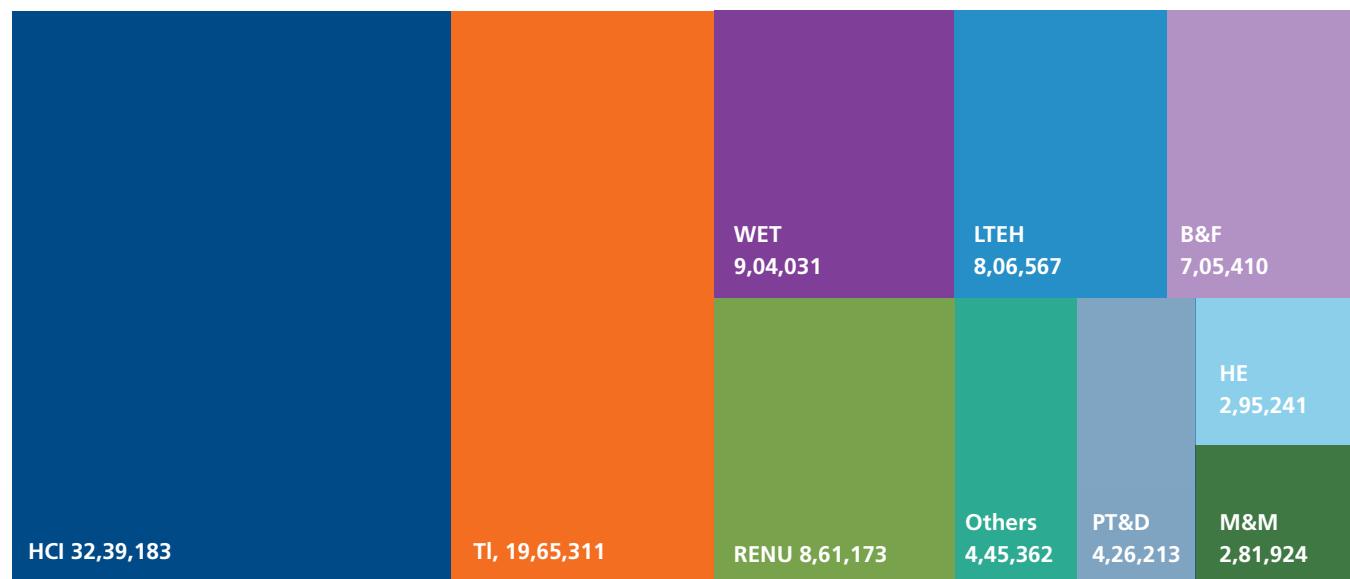


Energy

In FY 2024-25, the Company's total energy consumption was 9.9 million GJ, comprising direct energy consumption of 8.3 million GJ and indirect energy consumption of 1.6 million GJ. Break-up of this energy consumption into renewable and non-renewable sources is provided in Principle 6 of the BRSR report. Diesel has the highest contribution to total energy consumption at 75% and the contribution of other sources are:



Business-wise split of Energy Consumption (GJ)



HCI: Heavy Civil Infrastructure, **TI:** Transportation Infrastructure, **WET:** Water & Effluent Treatment, **RENU:** Renewables, **LTEH:** L&T Energy-Hydrocarbon, **B&F:** Buildings & Factories, **PT&D:** Power Transmission & Distribution, **HE:** Heavy Engineering, **M&M:** Minerals & Metals, **Others:** Offices, Construction & Mining Machinery, Rubber Processing Machinery, L&T-Cloudfiniti, L&T Energy-CarbonLite Solutions, Precision Engineering and Systems, L&T-SuFin



Renewable Energy

The Company sourced 69 million kWh of renewable electricity, contributing to 15% of the total electricity consumption (461 million kWh) in FY 2024-25. As a result of the actions taken by the various business units of the Company, renewable energy (electricity) increased from 0.16 million GJ in FY 2023-24 to 0.25 million GJ in FY 2024-25, marking an increase of 60%.

Challenges to sourcing renewable energy, like inadequate area for installing solar modules, difficulties in obtaining green open access and green tariffs for temporary connections, and developers' preference for long-term PPAs, persist. The Company continues to explore options to address these challenges.

Renewable Energy sourcing by type of contract or source

Source	Energy sourced (Mn kWh)
Solar (On-site)	5.4
Solar (PPA)	10.8
Wind (PPA)	26.5
Hybrid (PPA)	19.5
Green Tariff	6.9

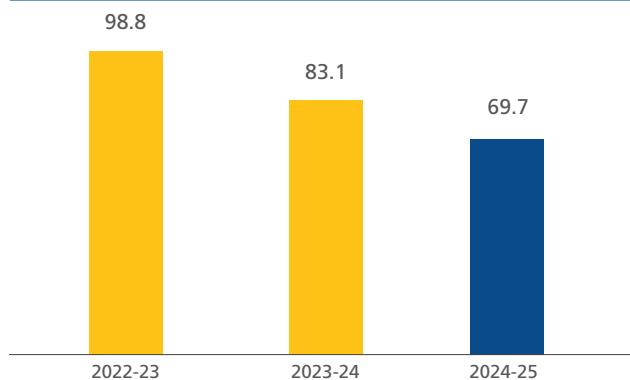
Energy intensity decreased by 16% y-o-y, primarily driven by a reduction in direct energy intensity by 17%. This reduction is attributed to:

Sites switching from DG sets to grid connections, e.g. rail line tunnel projects in Uttarakhand, metro rail projects in some cities

Closure or closing stage of some large contracts, e.g. contract related to a dedicated freight corridor project, water treatment project in the Middle East, project related to offshore oil & gas facilities

Other actions taken by the task force to reduce diesel consumption. (refer to 'Reducing Energy Intensity' in this section)

Energy Intensity Trend (GJ/ ₹ Cr)



Solar rooftop at a EPC project site



Solar rooftop at Kancheepuram facility





GHG Emissions

The Company's GHG emissions (Scope 1 and 2) are from the energy consumed from various sources. Emissions (Scope 1+2) intensity has decreased by 20% in FY 2024-25 compared to FY 2023-24. This decrease is primarily due to a reduction in energy intensity.

Scope 1

Emissions for the Company are direct emissions from combustion of fuel, e.g. high-speed diesel, furnace oil, natural gas, liquified petroleum gas (LPG), acetylene, and other fuels used in mobile equipment like construction machinery and stationary equipment (e.g. DG sets, furnaces). Fugitive emissions from carbon dioxide gas (used in the welding & filling fire extinguishers and refrigerants filling in HVAC systems) have also been included in the inventory.

6,03,953 tCO₂e

Scope 2

Emissions for the Company are indirect emissions from the consumption of purchased electricity (sourced from power distribution companies) at construction sites, manufacturing facilities, and offices.

2,82,341 tCO₂e
Market-based

3,32,416 tCO₂e
Location-based

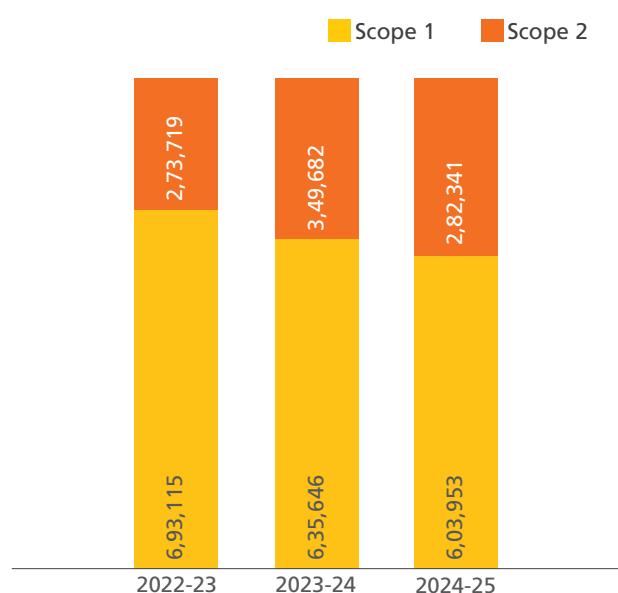
Scope 3

Emissions for the Company are indirect emissions from upstream and downstream activities in the value chain. The emissions are reported under five relevant categories: purchased goods and services, upstream transportation and distribution, employee commuting, business travel, and downstream leased assets.

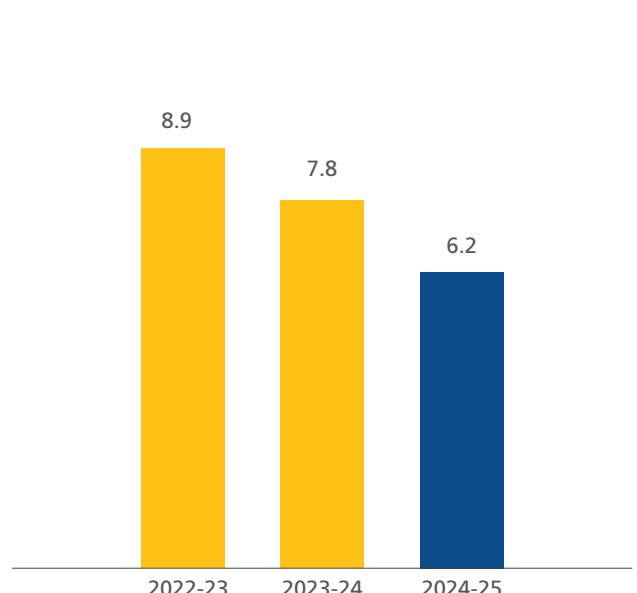
74,58,242 tCO₂e

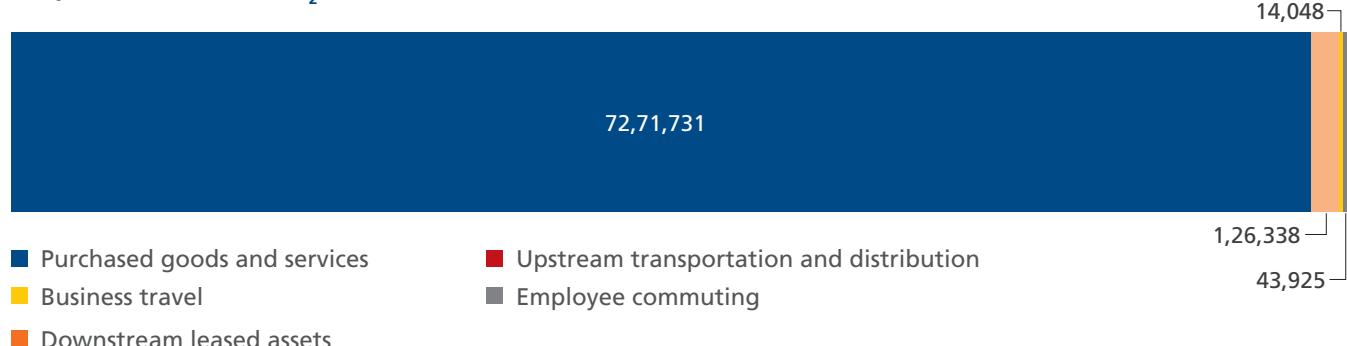
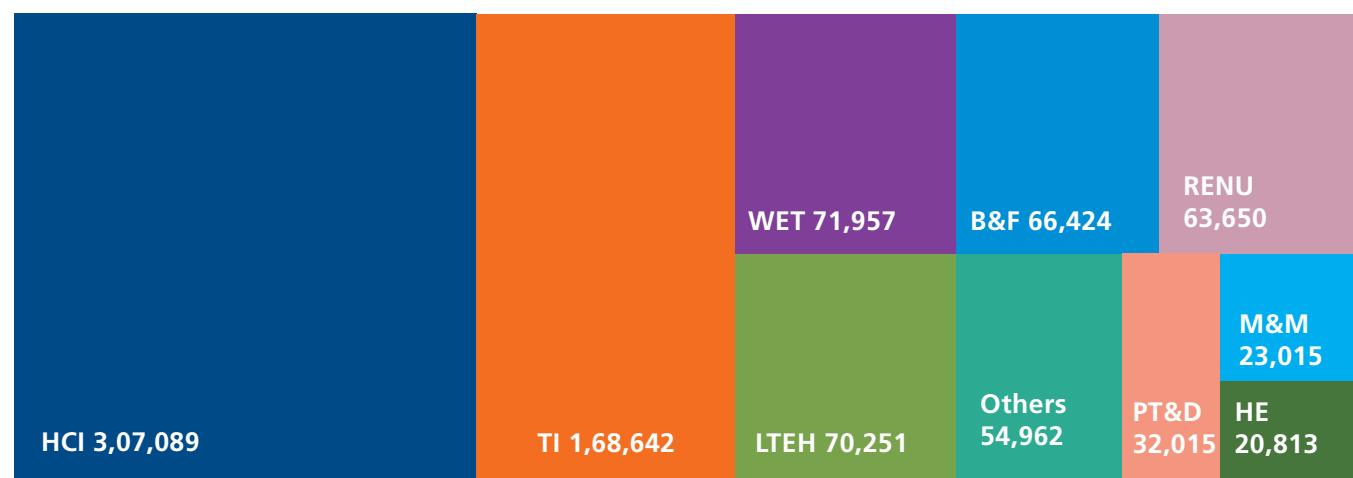
For details on the calculation methodology of these emissions, please refer to 'Notes on Sustainability Information' section.

Emissions Trend (tCO₂e / ₹ Cr)



Emissions Intensity Trend (tCO₂e / ₹ Cr)



Scope 3 Emissions (tCO₂e)**Business-wise split of Emissions [Scope 1 and 2] (tCO₂e)**

HCI: Heavy Civil Infrastructure, **TI:** Transportation Infrastructure, **WET:** Water & Effluent Treatment, **LTEH:** L&T Energy-Hydrocarbon, **B&F:** Buildings & Factories, **RENU:** Renewables, **PT&D:** Power Transmission & Distribution, **M&M:** Minerals & Metals, **HE:** Heavy Engineering, **Others:** Offices, Construction & Mining Machinery, Rubber Processing Machinery, L&T-Cloudfiniti, L&T Energy-CarbonLite Solutions, Precision Engineering and Systems, L&T-SuFin



Emissions Reduction Initiatives

All business units of the Company have started implementing multiple initiatives to reduce emissions. A snapshot of few initiatives is below.



Use of biodiesel to reduce diesel consumption

Biofuels are increasingly gaining global attention as a viable solution for decarbonising the energy and transport sectors. Among these, biodiesel presents a promising opportunity for reducing the carbon intensity of diesel-based operations.

The Company has explored sustainable biodiesel alternatives, identifying vendors utilising repurposed cooking oil, animal tallow and agricultural waste as feedstocks. Following successful testing and pilot implementation last year, the initiative has now been scaled across multiple business units.

As part of the Company's broader decarbonisation roadmap, targets have been established for phased replacement of conventional diesel with biodiesel in suitable applications, particularly in construction equipment and logistics.

Emissions avoided for FY 2024-25

1,095 tCO₂e



Sourcing of Renewable Energy

Sourcing renewable energy (electricity) is the key lever to decarbonise energy consumption from electricity and reduce Scope-2 emissions. In addition to existing on-site solar installations and PPAs, the Company has undertaken significant steps in the current year at several work locations to enhance sourcing of renewable energy.

Additional capacities were added at Chennai campus, facilities located at Talegaon, Kattupalli, Kansbahal, Kancheepuram, project sites: Cluster XXV, Lower Sutkel, Sone-Kanhar Garhwa, Ballia, Firozabad, Gurmura & Panari, Cluster XX, Parwati, Satna of the Water and Effluent Treatment business.

Emissions avoided for FY 2024-25

2,850 tCO₂e



Electric plant and machinery

Electrification is one of the key levers for the decarbonisation of operations. The Company has identified strategies to switch from fossil fuel-powered plants and machinery to electricity-driven ones. This helps improve energy efficiency and reduce emissions, which could further be reduced to zero by sourcing renewable power (electricity).

Key initiatives implemented are electrical hoists, electric air compressors, inverter-based welding machines and VFD concrete pumps. Hybrid light masts, with solar panels and battery backup, are being deployed to replace conventional diesel-powered masts.

A few EPC project sites have started using electric construction machinery, e.g. wheel loaders, on a pilot basis, and are being scaled up.

Emissions avoided for FY 2024-25

685 tCO₂e

The Company has also started exploring levers to reduce Scope 3 emissions. Certain initiatives undertaken by the Company to reduce Scope 3 emissions include:

- Upgradation to steel of higher yield strength from low yield strength leading to quantity reduction
- Use of low-carbon material or recycled material, such as steel manufactured from an electric arc furnace / induction furnace route as against steel manufactured through a blast furnace route, blended cement in place of Ordinary Portland Cement, wherever feasible
- In FY 2024-25, the Company has started deploying LNG trucks as well as electric trucks used in transportation of materials in select routes and thereby reducing emissions linked to upstream logistics.
- The Company has also put in place a scheme for promoting the adoption of electric vehicles by the employees to reduce emissions from employee commuting

For other initiatives on energy conservation and renewable energy, please refer to Annexure 'A' to the Board Report.



LNG Truck deployed at Kancheepuram- Shadnagar (Telangana) route



Electric loader deployed at project site



VFD concrete pump



Solar rooftop at Hazira facility



Biodiesel blending



Innovative ESSC Welding Solution for Enhanced Efficiency

As part of L&T's ongoing commitment to engineering excellence and self-reliance, the Heavy Engineering team at the A. M. Naik Heavy Engineering Complex (AMNHEC), Hazira, has developed an innovative solution for the Electro Slag Strip Cladding (ESSC) process - a critical technology used to apply corrosion-resistant layers such as stainless steel or inconel alloys onto reactor surfaces.

ESSC is a high-precision, high-power welding technique typically reliant on specialised machines sourced from a limited number of global suppliers. To overcome this supply chain constraint and enhance operational efficiency, the Company collaborated with a local vendor to design and deploy a custom-built, inverter-based ESSC system integrated with IoT capabilities. This indigenous solution delivers multiple benefits, viz. enhanced energy efficiency and reduced operational costs, real-time process monitoring and improved quality control, and localisation of a critical technology, reducing dependence on imported equipment.



Emissions avoided for FY 2024-25

~568 tCO₂e



Decarbonising Road Construction with Biomass-Fired Hot Mix Plants

As part of its commitment to reducing carbon emissions and promoting sustainable construction practices, the Company's Transportation Infrastructure Business introduced an innovative transition in the operation of Hot Mix Plants (HMPs) - key assets used in bituminous pavement construction. Traditionally powered by diesel or furnace oil, HMPs are energy-intensive and contribute significantly to GHG emissions. In a forward-thinking initiative, the Company replaced conventional fossil fuel burners with specialised biomass pellet-fired burners. These biomass pellets, derived from wood waste and other agricultural residues, offer a cleaner and renewable alternative with substantially lower emissions compared to fossil fuels.



Emissions avoided for FY 2024-25

~1,005 tCO₂e

This sustainable innovation has been successfully implemented at major EPC project sites such as Meerut-Hapur Expressway, Navi Mumbai International Airport and Chennai Peripheral Road. The transition contributes to the Company's decarbonisation strategy and supports circular economy principles by utilising biomass waste as fuel, demonstrating the scalable potential for green infrastructure development.



Process Innovation: Enhancing Efficiency Through Technology Integration

Smart Steam Curing at MAHSR T-3 Project

At MAHSR T-3 project, the site team implemented an innovative temperature control solution for steam curing, incorporating Resistance Temperature Detectors (RTDs) and an automatic flow control valve. This system ensures precise temperature regulation during curing and significantly enhances reliability and efficiency. The entire process is also cloud-integrated, enabling remote monitoring and real-time data access via a mobile application, supporting smarter decision-making.



Induction Heating for Heavy Fabrication at AMNHEC, Hazira

The Heavy Engineering team, developed a customised induction heating system for heat treatment in heavy fabrication. This indigenous solution is developed in collaboration with an Indian vendor, equipped with advanced digital controls for accurate temperature management and real-time monitoring. The new system improves energy efficiency, enhances process precision and reduces the carbon footprint compared to traditional heat treatment methods.



**L&T Construction
Buildings & Factories**

Turning Green Dreams into Reality
Carbon Neutrality by 2040

Reduce CO_2 emissions by 40%

By switching to electric power

A. Opt for Grid power at early stage of the project.
B. Limit use of DG only as backup
C. Switch from fossil fuel based to electrically operated equipment

Electrical pump
Electrical air compressor

**L&T Construction
Buildings & Factories**

Turning Dreams into Reality
Water-Neutrality by 2035

REDUCE WATER USAGE BY 80%

Install showers in bathing area
Use low-flow fixtures & aerators to conserve water
Use modular bathing stations in workmen habitat camp

Informational boards displayed at a construction site, likely related to the company's sustainability goals.

Water

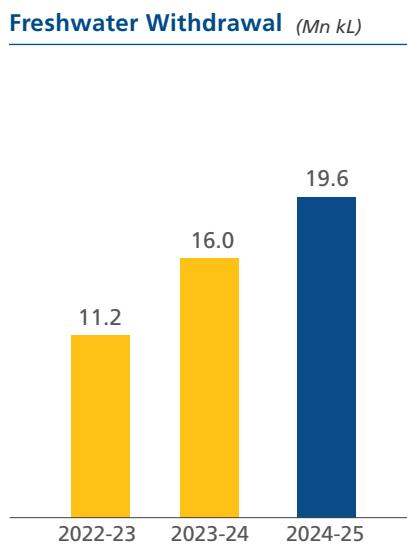
At L&T, water consumption is primarily driven by industrial activities associated with the execution of EPC project contracts, especially in civil works. In contrast, water usage at manufacturing facilities remains minimal. The Company has adopted multiple conservation strategies to minimise water consumption across operations. These include installing water-efficient fixtures such as aerator taps and low-flush toilets, regulating water pressure in pipelines and controlling system losses. Innovative construction practices like curing compounds and steam curing are also being implemented to reduce water usage at project sites.

Further, recycling and reuse are central to the Company's water stewardship efforts. Greywater and blackwater recycling systems are promoted across work locations, with treated wastewater reused for landscaping, toilet flushing, dust suppression, equipment cleaning and fire-fighting systems. In addition, rainwater harvesting and groundwater recharge initiatives are being actively explored and implemented wherever feasible. The Company also extends its commitment to water efficiency to its clients by promoting water-saving devices in certified green buildings.

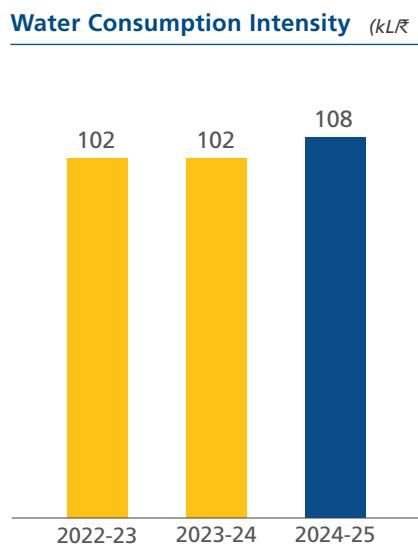
Wastewater from EPC project sites generally contains only suspended solids and is not characterised by high-effluent content. Nonetheless, the Company ensures responsible wastewater management by implementing Zero Liquid Discharge (ZLD) systems at its manufacturing units and select project sites. These are supported by Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs). At other locations, wastewater is either treated on-site or managed through authorised third-party service providers, ensuring minimal environmental impact.

To improve data collection and reporting, particularly at EPC project sites, the Company has started installing flowmeters at various sites and enabled data flow automatically to the data management system. An independent third-party assessment was also undertaken to estimate the water being conserved through the CSR interventions. **As per the assessment, the annual conservation potential of the infrastructure created was ~3.2 million kL and equivalent to ~16% of annual water withdrawal by the Company in FY 2024-25.** Similar activities have also been undertaken by some of the EPC project sites as well as manufacturing facilities and assessment of these will be carried out in the next financial year.

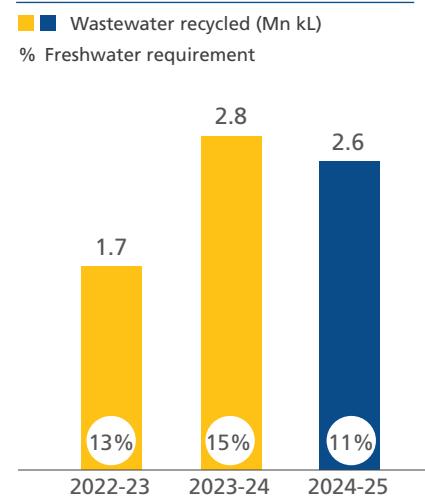
Freshwater Withdrawal (Mn kL)



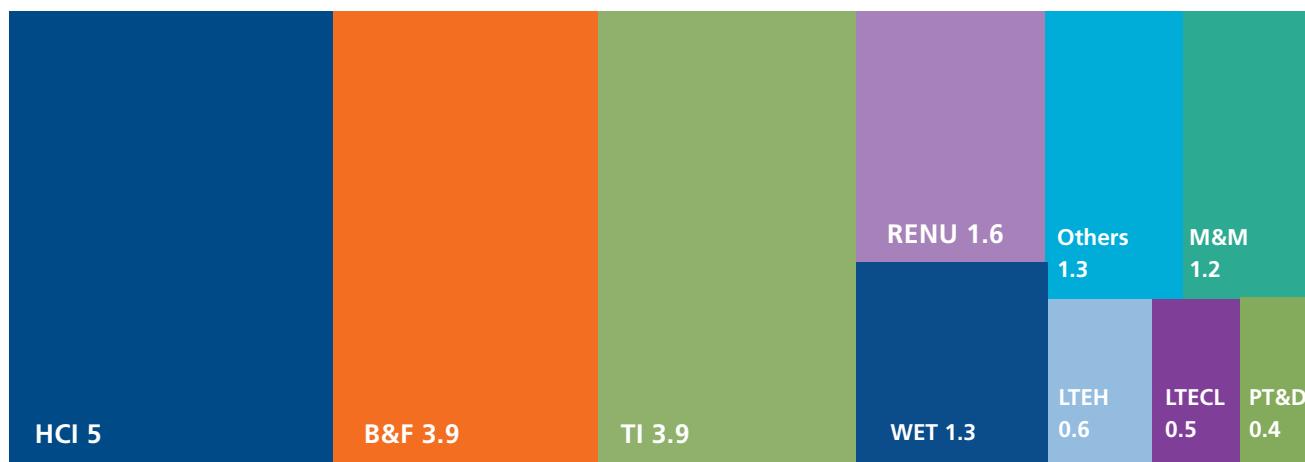
Water Consumption Intensity (kL₹ Cr)



Wastewater Recycling



Business-wise split - Water Withdrawal (Mn kL)



HCI: Heavy Civil Infrastructure, **B&F:** Buildings & Factories, **TI:** Transportation Infrastructure, **RENU:** Renewables, **WET:** Water & Effluent Treatment, **LTEH:** L&T Energy-Hydrocarbon, **M&M:** Minerals & Metals, **LTECL:** L&T Energy- CarbonLite Solutions, **PT&D:** Power Transmission & Distribution, **Others:** Offices, Heavy Engineering, Precision Engineering and Systems, Construction & Mining Machinery, Rubber Processing Machinery, L&T-Cloudfiniti, L&T-SuFin



Sustainable Concrete Curing

Water is an essential resource in curing concrete, particularly across large-scale civil works at the Company's EPC project sites. However, rising water stress, especially during peak summer months, poses challenges in sourcing and managing adequate water for construction activities. To address this, the Company's business units have adopted the use of curing compounds as a sustainable alternative. These liquid membrane-forming compounds are applied to fresh concrete surfaces to reduce moisture loss, thereby improving their hydration efficiency and overall concrete strength.

Key benefits of this innovation include:

- | A significant reduction in water usage
- | Faster curing, contributing to overall construction efficiency
- | Improved surface quality and surface finish of the concrete
- | Enhanced curing performance, especially for vertical or hard-to-reach structures where conventional water curing is impractical



~29,000 kilolitres
of freshwater requirement reduced
in FY 2024-25

Water Recovery through Sedimentation Tanks

Concrete works at EPC project sites require substantial amounts of water for different processes. Water used in batching plant and transit mixer cleaning typically gets discharged into drains. The Heavy Civil Infrastructure business has undertaken initiative for implementation of sedimentation tanks to recover the water used in these processes. Water is recovered through multi-stage gravity and chemical sedimentation. The recovered water is typically diluted with 50% freshwater to reduce its TDS (total dissolved solids) content. Recycled wastewater is used for various activities at the site, e.g. dust suppression, transit mixer cleaning and wheel washing.



Volume of wastewater recycled and used in FY 2024-25
~13,000 kilolitres



Key outcomes of the innovation are:

Reduced steam requirement by 30%

Reduced load on the RO system

Improved water recovery to more than 96%, compared to conventional designs with recovery up to 80-85%



Redesigned Zero Liquid Discharge to improve Water Recovery

Industries across sectors are increasingly challenged by water scarcity and wastewater pollution. Zero Liquid Discharge (ZLD) systems offer a sustainable solution by recycling wastewater and eliminating liquid discharge. However, conventional ZLD processes are resource-intensive, requiring substantial steam, power and cooling water, which can limit their efficiency and scalability.

Accordingly, the Water and Effluent Treatment business developed an innovative ZLD system for IOCL Vadodara Refinery. The redesigned process treats wastewater from the Effluent Treatment Plant (ETP) and cooling tower blowdown using a sequence of pre-treatment, ultrafiltration, reverse osmosis (RO) and ion exchange to produce high-quality demineralised water.

Waste Management and Circular Economy

Waste management is a material topic for the Company, particularly due to the significant volume of waste generated at EPC project sites. Recognising its environmental impact and resource implications, the Company has adopted a structured and responsible approach to waste management, aligned with circular economy principles. The Company's waste management strategy is built on the 3R framework - Reduce, Reuse and Recycle - with an emphasis on minimising waste generation at source and maximising resource recovery.

Waste management is an integral component of the Environment, Health and Safety (EHS) Management System, which includes comprehensive policies, standard operating procedures and implementation mechanisms.

The operational locations, including EPC project sites and manufacturing facilities, maintain a project- or site-specific waste management plan, developed either as part of the overall project execution plan or in line with applicable regulatory requirements.

The key processes include:

Identification and quantification of waste streams

Reuse and recycling wherever feasible

Environmentally sound disposal of residual waste

Segregation at source

Collection and safe storage

The Company has established partnerships with authorised and certified waste processors and handlers, ensuring compliance with relevant environmental regulations and waste management rules. Through these efforts, the Company is reducing its environmental footprint and contributing to creating a resource-efficient and sustainable ecosystem.



Approach towards Waste Management

Hazardous waste is segregated, stored and disposed of as per the statutory requirements.

Hazardous wastes, such as used oil, oil-soaked cotton waste, used chemical/paint/oil containers, used batteries, paint residues, ETP sludge, electronic waste (e-waste) and biomedical waste are disposed of through government-approved recyclers/processors and according to the regulatory norms.

The Company does not import, export, transport or treat any hazardous waste covered under the Basel Convention.

Non-hazardous waste, such as construction and demolition waste, ferrous and non-ferrous scrap, wood/plywood to come together waste, packaging waste, food waste, are managed according to the volume generated and facilities available at the specific location.

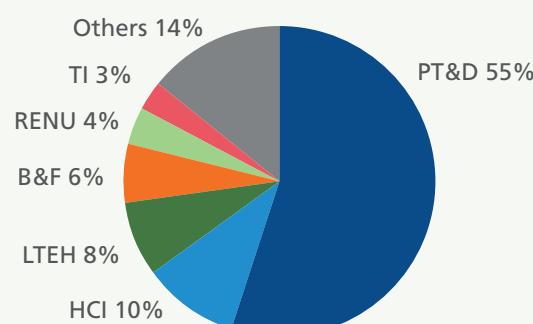


Clean-up drive at Suvali beach, Hazira

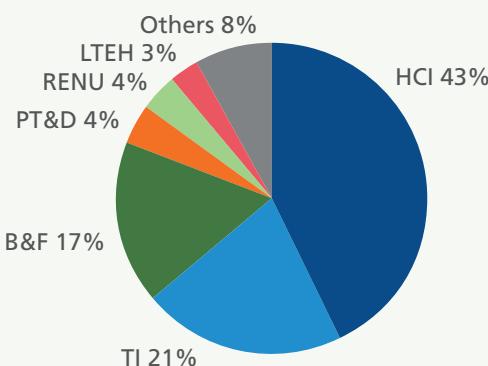
Waste Generation and Disposal for FY 2024-25 (in tonnes)

Category	Hazardous waste	Non-Hazardous waste
Generation	4,571	4,46,656
Recycled/Reused	399	80,041
Disposed/Sold	3,897	3,69,065

Business wise split of waste generation



Hazardous waste generation



Non-Hazardous waste generation

HCI: Heavy Civil Infrastructure, TI: Transportation Infrastructure, RENU: Renewables, LTEH: L&T Energy-Hydrocarbon, B&F: Buildings & Factories, PT&D: Power Transmission & Distribution, Others: Offices, Water & Effluent Treatment, Minerals & Metals, L&T Energy- CarbonLite Solutions, Heavy Engineering, Precision Engineering and Systems, Construction & Mining Machinery, Rubber Processing Machinery, L&T-Cloudfiniti, L&T-SuFin

As the Company expands its operations, especially in large-scale EPC projects, the construction and operational waste volume naturally increases. Simultaneously, continual efforts to enhance transparency and data accuracy - including digitisation of reporting systems, stricter site-level monitoring and broader coverage - have contributed to a more comprehensive representation of waste generated.

This improvement in reporting is a positive step towards strengthening our waste management practices, enabling more targeted interventions to reduce, reuse and recycle waste.





Waste Reuse and Recycling for Circularity

While ensuring the safe and compliant disposal of waste is critical to minimising environmental and community impacts, the Company emphasises maximising reuse and recycling of materials. This approach reduces dependency on virgin natural resources. Also, it helps lower emissions associated with transporting waste to external disposal sites and diverting waste from landfilling.

A significant portion of non-hazardous waste is generated at the Company's EPC project sites. In alignment with the circular economy principles, the locations are encouraged to identify and implement on-site reuse and recycling solutions to minimise off-site disposal.

Key initiatives include:

Construction and demolition waste from concrete and civil works is reused for temporary access roads and backfilling; recycled into aggregates, manufactured sand, or in some cases, paver blocks for on-site use



Concrete waste reused to create drains

Ferrous and non-ferrous scrap, while often auctioned, is repurposed into ancillary materials such as cable/pipe supports, barriers, boards and even site furniture



Paver blocks from recycled concrete waste

Wood and plywood waste is reused or creatively repurposed into temporary site structures, shelving and boards



Signages created from wood waste



Scrap rebar used for structural work components



Ferrous waste used for material storage



Concrete waste reused for water storage tank

These efforts enhance material efficiency and contribute to cost savings, lowering emissions and reducing landfill burden, reinforcing the Company's commitment to sustainable construction and resource conservation.



~75,700

tonnes of construction and demolition waste diverted away from landfill in FY 2024-25



Sustainable Material and Resource Efficiency

A significant share of the Company's revenues is derived from its EPC project business, which involves extensive use of bulk construction materials such as steel, cement, aggregates and sand. Given the material-intensive nature of these projects, the Company recognises the importance of embedding sustainability principles into its material sourcing and usage.

To reduce the environmental impact of construction activities, the Company actively promotes the use of eco-friendly and alternative materials. These include:

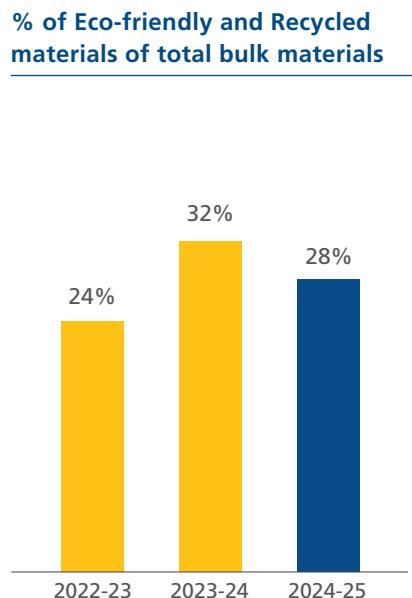
Fly ash, a by-product of thermal power plants, as a partial replacement for cement

Ground Granulated Blast Furnace Slag (GGBS), sourced from the steel industry, as a cement substitute

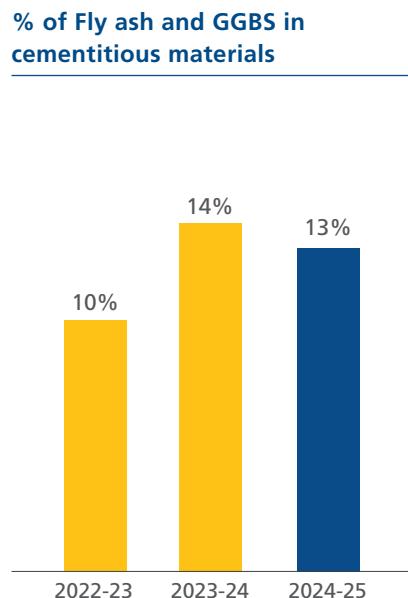
These materials help lower embodied carbon and support industrial waste utilisation, aligning with circular economy goals. However, the wider adoption of non-virgin or recycled materials is often constrained by design codes, regulatory standards and customer specifications, which limit flexibility in material choices despite the proven benefits.

In parallel, sustained efforts are being made to reuse and recycle steel and zinc at the Company's transmission tower manufacturing facilities, which are key inputs in the galvanising and fabrication processes. These initiatives reduce raw material demand and support the Company's commitment to resource efficiency and waste minimisation.

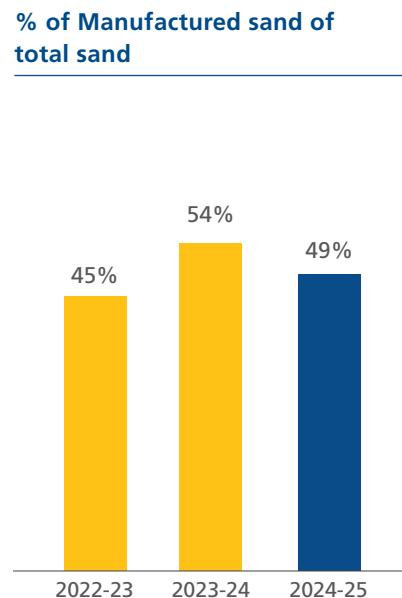
% of Eco-friendly and Recycled materials of total bulk materials



% of Fly ash and GGBS in cementitious materials



% of Manufactured sand of total sand





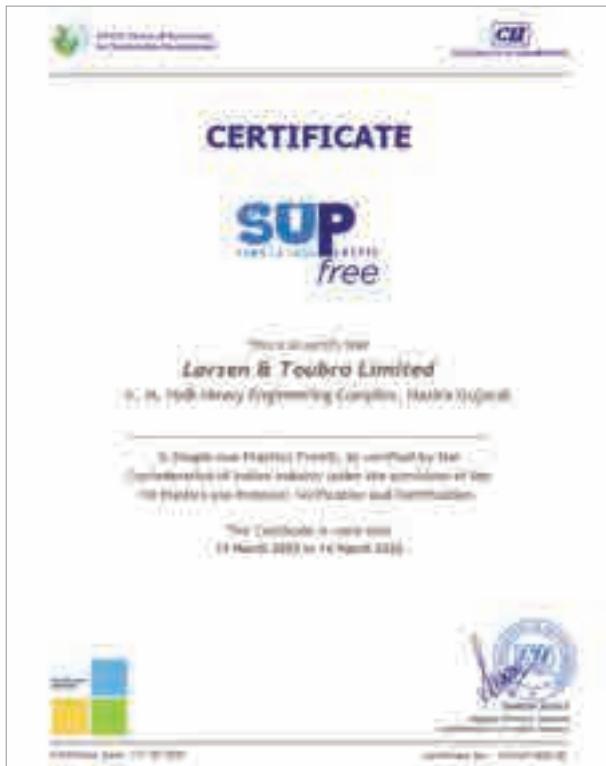
Waste Diversion to Cement Plants

Certain hazardous wastes, e.g. paint sludge, oil, and contaminated cotton waste, are disposed of through approved agencies by incineration in designated facilities. The ash generated is typically disposed of in designated landfill areas. The team at A. M. Naik Heavy Engineering Complex (AMNHEC) at Hazira, Gujarat, partnered with an approved waste processing agency to divert these wastes to cement plants to be used as fuel in co-firing. This approach helped avoid landfilling and reduced energy consumption associated with waste incineration while effectively advancing circular economy principles through resource recovery and reuse.



Waste processed through this method in FY 2024-25 was

~134 tonnes



L&T's First Single-Use Plastic-Free Campus

A comprehensive initiative was launched at AMNHEC, Hazira to eliminate single-use plastic (SUP) from its operations. The initiative began with a beach-cleaning drive in 2024, which sparked a broader commitment across the campus. A cross-functional team comprising members from EHS, Stores and Purchase departments was formed to lead the effort.

Key measures implemented included:

Replacing office dustbin liners with compostable materials

Preparing buttermilk in-house instead of procuring it in plastic pouches

Substituting tetra packs of soft drinks, which have plastic straws, with recyclable PET bottles

Replacing packaged drinking water with steel bottles and glasses

These actions collectively resulted in the elimination of 45 metric tonnes of SUP annually. The initiative was independently audited by the Confederation of Indian Industry (CII), which subsequently awarded AMNHEC the SUP-Free Certification, marking a significant milestone in L&T's journey towards sustainable operations.



Biodiversity

L&T recognises that healthy ecosystems and biodiversity are foundational to long-term environmental sustainability and societal well-being. As a responsible infrastructure and engineering conglomerate, the Company is committed to ensuring that its operations minimise ecological disruption and contribute positively to biodiversity protection, preservation and restoration.

Accordingly, the biodiversity protection approach is guided by the principles of:

- Minimisation of impact during the construction phase
- Compliance with national and local environmental regulations
- Restoration where unavoidable impacts occur
- Implementation of environmental safeguards of the Biodiversity Conservation Plan as per the requirements of the contracts

Key Actions and Initiatives:

Greenbelt and Landscaping

Across the campuses and project sites, greenbelts are developed and maintained using native species to promote ecological balance, reduce dust and noise, and support local flora and fauna.

Biodiversity Conservation Projects

Select business units undertake local biodiversity initiatives such as mangrove restoration and large-scale plantations.

Capacity Building and Awareness

Employees and workers are made aware of ecological sensitivities and conservation practices through site inductions.

A few of the Company's work locations are in eco-sensitive zones. It has taken proactive measures to prevent any harm to the ecosystem in these locations. *Details are included in the Leadership Indicator No. 3 in Principle 6 of the BRSR section of the Integrated Annual Report FY 2024-25.*

The Company also undertakes large-scale sapling plantation drives and has a target to plant 1.5 to 2 million saplings each year. In FY 2024-25, the Company has planted 1.7 million saplings.





Sustainable Infrastructure with Ecological Sensitivity

Wildlife Protection at High-Speed Rail Project

The Mumbai-Ahmedabad High-Speed Rail (MAHSR) project passes through ecologically sensitive areas, including crocodile habitats near Vadodara. To protect the mugger crocodile (*Crocodylus palustris*) and ensure safe construction practices, the Heavy Civil Infrastructure team implemented a crocodile conservation initiative. This included measures to prevent harm to the species and safeguard work areas from animal incursions. Eighteen crocodiles have been rescued and relocated to their habitats. The plan and its implementation entailed:

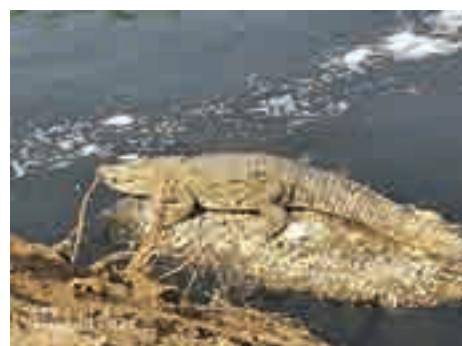
Habitat Protection and Restoration

As part of the plan, key habitats - including critical nesting and basking areas - were identified for preservation and restoration. Protected zones were established around these areas to minimise disturbances from construction activities, ensuring the long-term safety and sustainability of the crocodile population.



Crocodile Conservation Plan

A baseline study of the crocodile population, their behaviour, and habitat was conducted alongside a detailed ecological survey. Based on these findings, a comprehensive crocodile conservation plan was developed with support from the National Accreditation Board for Education and Training (NABET)-accredited ecology and biodiversity experts, ensuring scientific rigour and regulatory compliance.



Crocodile Relocation and Rescue

Crocodiles found in high-risk construction zones were safely relocated to designated protected habitats. This operation was conducted by trained wildlife teams, ensuring minimal stress to the animals. Post-relocation monitoring is being carried out to track the health and successful adaptation of the relocated crocodiles.



Human-Wildlife Conflict Management

Awareness programmes conducted for the workforce on safe behaviour around crocodile habitats. Warning signs were put up, and fencing was done near the construction sites close to crocodile territory. Emergency response plans were developed to deal with cases of crocodile encounters.

Wildlife-friendly Infrastructure Design

Conduit pipes were provided to ensure uninterrupted water flow and maintain ecological connectivity in the Vishwamitri River, enabling free movement of crocodiles between habitats. Additionally, noise and pollution control measures were implemented to minimise disturbance to wildlife, including restricting night-time operations.



Green Buildings

L&T is committed to creating a sustainable built environment by integrating green building principles into its project execution and design capabilities for itself and its clients. As a leading EPC player in the infrastructure and buildings sector, the Company recognises its pivotal role in reducing the environmental footprint of the construction sector.

Green buildings, as defined or certified against industry standards, e.g. Indian Green Building Council (IGBC), Leadership in Energy and Environmental Design (LEED), have significantly lower energy and resource consumption than conventional buildings. These buildings typically incorporate sustainable materials, energy efficient systems, water conservation practices and waste reduction strategies.

L&T Data Center-1 in Kancheepuram received IGBC Platinum rating, while one of the buildings in Chennai campus received IGBC Net Zero rating for design. The Company has 14 green buildings at various locations, certified at different periods.



Net Zero rated building in Chennai campus



Air Quality Management

Air pollution continues to pose a significant environmental and public health challenge globally. The Government of India has launched the National Clean Air Programme (NCAP), focusing on reducing air pollution levels, especially in designated non-attainment cities. The Company aligns its environmental management practices with these national priorities and is committed to minimising air emissions across its operations.

As part of the Environment Management Plans (EMP) implemented at work locations, the Company adopts a comprehensive approach to controlling and mitigating air pollution, particularly at EPC project sites in urban and pollution prone areas.

Key measures include:

Dust suppression for materials stored on-site and during material transportation, using water sprinkling and other control mechanisms

Air quality monitoring stations established at site locations, with ambient air quality monitored by approved third-party vendors

Wheel wash facilities installed at site exits to prevent dust and debris from being carried outside the project boundary

Monitoring reports submitted to pollution control boards, local authorities and clients in compliance with regulatory and contractual obligations

Barricading and covering exposed construction zones and community-facing areas using hessian cloth to reduce particulate matter dispersion

Through these initiatives, the Company actively supports air quality improvement efforts and ensures that its construction and infrastructure projects are executed with minimal impact on the surrounding environment and communities.



Green Campus Framework

While the main thrust of the Company's initiatives is directed at operational and project activities, it has developed a bespoke 'Green Campus Framework' for offices and administrative locations. This is inspired by recognised global and national green building rating systems and incorporates a comprehensive set of sustainability indicators, including:

- | Energy and water efficiency
- | Water efficiency and conservation
- | Waste reduction and recycling
- | Use of sustainable resources
- | Biodiversity
- | Other areas, such as green logistics, resilient facilities, and so on

This framework enables site-level sustainability assessments, fosters continuous improvement and supports certification readiness for green building accreditations. By institutionalising this approach, the Company is enhancing the sustainability quotient of its own campuses and setting a replicable example for sustainable workplace development.



Green Campus Rating

Offices and campuses are rated annually based on progress towards the set targets. The Green Campus Framework was rolled out in FY 2024-25. The initial assessment shows numerous locations already have plans to become more sustainable. The framework is designed to be dynamic, with rating thresholds being revised upwards each year, adaptable to include new areas and monitoring tools to assess the actions taken by the locations.

Climate Scenario Analysis and Climate Risks

Dynamic climate and weather patterns - shaped by anthropogenic activities and natural variability - pose significant risks to global systems. While some impacts are immediate and visible, others unfold gradually, presenting complex, long-term challenges that demand proactive assessment and strategic foresight. Climate scenario analysis has emerged as a critical tool for businesses to navigate these uncertainties. By modelling a range of plausible climate futures, organisations can better understand potential risks and opportunities, enabling them to develop adaptive strategies that protect operations and support long-term sustainability.

The Company recognises climate change as a material business risk with a significant potential to impact its operations, value chain and long-term strategy. In alignment with global best practices, the Company integrates climate scenario analysis into its strategic planning to proactively

assess and prepare for a range of climate-related risks. The scenario analysis considers transition risks - associated with the global shift towards a low-carbon economy - and physical risks - arising from the direct impacts of climate change. These risks are identified and assessed using internationally recognised frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD).

This approach evaluates how varying climate scenarios may influence future business conditions and strategic decisions. The Company has implemented risk management systems to mitigate these risks and has demonstrated resilience across its operations. Furthermore, the scenario analysis process has helped identify climate-related opportunities - including energy efficiency, green innovation and sustainable infrastructure - that can drive long-term value creation for both the business and the environment.

Approach towards Scenario Analysis

L&T adopts a robust, science-based approach to climate scenario analysis to assess potential climate-related risks and opportunities under varying future conditions. The Company considers both physical and transition risks, using globally recognised scenarios and pathways to inform strategic decision-making.



Physical Risk Scenarios

To assess physical climate risks, the Company has utilised Representative Concentration Pathways (RCPs) 4.5 and 8.5, as outlined in the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) 2014. These were analysed in combination with Shared Socioeconomic Pathways (SSPs) to account for socio-economic and technological developments:

RCP 4.5 with SSP2 is considered a baseline (optimistic) scenario, representing moderate emissions and a stable pathway for global temperature rise, factoring in balanced societal and technological progress.

RCP 8.5 with SSP5 represents a high-end (business-as-usual) scenario, assuming limited climate action and continued fossil fuel dependency, resulting in more severe climate impacts.

This approach enables the Company to understand the potential spectrum of physical climate risks under different future climate trajectories.



Transition Risk Scenarios

To assess transition risks, the Company employs the International Energy Agency's (IEA) Net Zero Emissions by 2050 (NZE 2050) scenario. This scenario outlines a comprehensive roadmap for the global energy sector to achieve net-zero by 2050, aligning with the COP28 pledge to triple renewable energy capacity by 2030. The Company's Carbon Neutrality target aligns with this scenario, focusing on increased renewable energy uptake.

Climate Risks and Opportunities

A snapshot of the assessment of climate risks is presented here:



Transition Risks

POLICY & LEGAL		
Risks (R) / Opportunities (O)	Potential Financial Impact	Response / Actions
Non-compliance with changing laws and regulations - domestic and international (R)	Increase in indirect costs due to possible penalties or fines	<ul style="list-style-type: none"> ▪ Proactively track changes in regulations and identify gaps ▪ Collaborate with policymakers to recommend revisions to regulations
Carbon tax or carbon pricing being imposed on industries - domestic and international (R)	Increase in indirect costs due to carbon tax	<ul style="list-style-type: none"> ▪ Track development in carbon tax and pricing and assess the potential impact ▪ Formulate a strategy to avoid carbon tax
REPUTATION		
Risks (R) / Opportunities (O)	Potential Financial Impact	Response / Actions
Non-compliance by vendors and leading to negative feedback or concern from stakeholders (R)	<ul style="list-style-type: none"> ▪ Project delays, rework or penalties ▪ In some cases, direct financial liabilities arising from contract breaches or regulatory non-compliance ▪ Increase in direct costs to handle current vendors or develop new vendors 	<ul style="list-style-type: none"> ▪ Stronger vendor due diligence and approval process prior to onboarding ▪ Regular audits, compliance checks and performance reviews ▪ Vendor grievance and escalation mechanism to ensure early identification and resolution of issues

MARKET		
Risks (R) / Opportunities (O)	Potential Financial Impact	Response / Actions
Decrease in potential business from fossil fuel-linked sectors (R)	A decline in business from fossil fuel-linked sectors could impact revenue streams and long-term order inflows from these segments	<ul style="list-style-type: none"> ▪ Assess the market scenario on a regular basis as part of business strategy
Increased investments and business from renewable energy sector (O)	<ul style="list-style-type: none"> ▪ Increased revenues from renewable energy sectors ▪ Capex required to address some of these opportunities 	<ul style="list-style-type: none"> ▪ Renewables carved out as a separate business to enhance strategic focus and drive growth in the clean energy space ▪ Green and Clean Energy incubated as a new business to target opportunities linked to green hydrogen and related areas
Increasing demand for business offerings with a positive impact on the environment, e.g. clean mobility (O)	Increased revenue from green business offerings, already developed by the Company, which have a positive environmental impact	<ul style="list-style-type: none"> ▪ Green business - a portfolio of business offerings of the Company developed over the years - is being enhanced to align better with the market needs and decarbonisation trends
TECHNOLOGY		
Risks (R) / Opportunities (O)	Potential Financial Impact	Response / Actions
Inability to adopt clean technologies in business operations, e.g. electric P&M, battery energy storage (R)	Increase in capex or upfront cost to replace current equipment or adopt new technologies	<ul style="list-style-type: none"> ▪ Identify and track technology development and deployment options that are commercially available and viable ▪ Revenue and capex budgeting each year includes new technology adoption ▪ Cost implications may be shared with clients, depending on contractual provisions
Innovation to adapt current processes and systems to handle future requirements, e.g. waste recycling (O)	<ul style="list-style-type: none"> ▪ Increase in capex investments to change current processes, costs may be recovered from contracts over a period ▪ In some cases, there may be cost savings in comparison to current processes 	<ul style="list-style-type: none"> ▪ Started initiatives to adapt or modify the current processes ▪ Engaging with clients to incorporate new ways in the existing or new contracts



Physical Risks

ACUTE PHYSICAL

Risks (R) / Opportunities (O)	Potential Financial Impact	Response / Actions
Extremely high temperatures (heat waves) impacting health and safety of the workforce and execution of contracts (R)	<ul style="list-style-type: none"> ▪ Increase in indirect costs, such as increased medical costs, lost workdays, and project delays ▪ Negative impact on execution due to productivity loss 	<ul style="list-style-type: none"> ▪ Site locations and central teams proactively track the weather advisories and projections ▪ Enhanced heat stress management protocols across project sites by revising work schedules, introducing mandatory rest periods and providing shaded rest zones with adequate hydration ▪ Contract schedules are adjusted in discussion with clients
Extreme precipitation impacting the safety of equipment as well as the workforce at EPC project locations (R)	<ul style="list-style-type: none"> ▪ Increase in indirect costs to handle flooding and protect resources ▪ Increased equipment maintenance or replacement costs ▪ Increase in premiums for insurance policies taken for locations 	<ul style="list-style-type: none"> ▪ Site locations and central teams proactively monitor weather advisories and forecasts, making necessary arrangements to mitigate impacts at affected locations ▪ Contract schedules adjusted in discussion with clients; claims filed for force majeure events

CHRONIC PHYSICAL

Risks (R) / Opportunities (O)	Potential Financial Impact	Response / Actions
Changing weather patterns, deviating from historical trends, impacting execution as well as logistics (material supply to EPC project sites and product supply to manufacturing business clients) (R)	<ul style="list-style-type: none"> ▪ Increasingly impacting project execution causing unpredictable delays and resource allocation challenges ▪ Disruptions in the construction timeline may lead to increased operational costs, potential project overruns 	<ul style="list-style-type: none"> ▪ Environment data analysed at the bidding stage as well as at the start of execution to assess such risks ▪ Enhanced tracking of weather patterns during the execution phase to mitigate any negative impact
Water sourcing and availability are becoming a challenge in many locations, particularly in water-stressed regions as well as in the summer months (R)	Increased costs for water sourcing	<ul style="list-style-type: none"> ▪ Impacted locations make alternate arrangements to ensure water availability ▪ Focusing on wastewater recycling and rainwater harvesting to reduce dependence on freshwater, improving water use efficiency

MANUFACTURED CAPITAL

L&T is committed to achieving excellence in EPC project delivery and hi-tech manufacturing. The Company strives to maintain its leadership across key industry segments by leveraging cutting-edge technologies, robust capabilities and consistent delivery performance. As the Company continues to grow and create long-term value, the focus remains on enhancing resource efficiency, boosting productivity and maximising equipment utilisation.

These efforts are geared towards improving quality, shortening execution timelines, strengthening customer focus and ensuring cost competitiveness in global markets. Accordingly, the Company is actively pursuing current opportunities, exploring new business segments, and maintaining a strong and diversified Order Book to sustain future growth.



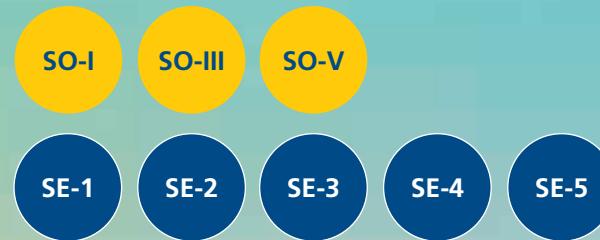
Key Highlights of FY 2024-25

700 Active project sites

19 Manufacturing facilities

~₹ 75,500 Cr Green Business revenue

Strategy Linkage¹



SDGs impacted



Material Topics

- Customer Experience and Satisfaction
- Water, Waste and Hazardous Materials Management
- Quality of Products and Project Delivery
- Skilled Manpower
- Human Rights and Labour Conditions
- Brand Management
- Sustainable Supply Chain
- Data Security, Privacy and Cybersecurity

¹ For details, refer to 'Business Model and Strategy' section

EPC Projects

Comprises businesses with a long track record and end-to-end design-to-deliver capabilities for delivering assets linked to infrastructure, energy and metals sectors. They have established credentials in conceptualising, designing and executing large and complex projects for various sectors. Dedicated in-house engineering teams, competency centres and specialised training facilities support them.



Buildings & Factories

A wide spectrum of tech-enabled solutions for residences, office buildings and commercial spaces, data centres, factories, warehouses, airports, hospitals, educational campuses and public spaces.



Transportation Infrastructure

Turnkey design and build solutions for all kinds of transportation infrastructure, such as roads, runways, bridges, elevated corridors, railways, urban transit and airports.



Heavy Civil Infrastructure

End-to-end solutions for executing large and complex civil construction works related to high-speed rail, mass transit systems, nuclear power plants, hydroelectric power plants, tunnels, ports and marine structures.



Power Transmission & Distribution

Technology-focused solutions for power transmission and distribution, electrification and digital solutions for power systems.



Renewables

One-stop EPC solutions for GW-scale solar PV, energy storage, microgrids and hybrid renewable projects.



Water & Effluent Treatment

EPC solutions for water treatment and distribution, wastewater treatment and collection, desalination, irrigation, industrial effluent treatment, and water systems management and monitoring.



Minerals & Metals

EPC solutions from mineral processing to finished metals for ferrous and non-ferrous industries, and a range of solutions and specialised equipment for varied applications in core sector industries.



L&T Energy - Hydrocarbon

Integrated design and build turnkey solutions for large and complex projects related to oil & gas extraction, upstream processing, mid and downstream processing, pipelines, storage tanks and terminals and coal/pet-coke gasification.



L&T Energy - CarbonLite Solutions

Turnkey solutions for gas-to-power, carbon capture, and low-carbon solutions for power plants. Also execution of large projects for supplying and installing boiler and turbine packages for thermal power plants.

Hi-Tech Manufacturing

The Company has created manufacturing facilities that are globally recognised, capabilities for producing engineered-to-order equipment solutions for process plants, nuclear power plants, aerospace and other sectors.



A. M. Naik Heavy Engineering Complex, Hazira, Gujarat

World-class manufacturing complex catering to critical, large-sized ultra-heavy equipment for process plant and nuclear power sectors, and modular fabrication for offshore and onshore packages or modules for the oil & gas sector.



Modular Fabrication Facility, Kattupalli, Tamil Nadu

Strategically located, state-of-the-art, all-weather waterfront facility for large-scale offshore and onshore packages or modules for the oil & gas sector and offshore wind farms.



Shipbuilding Facility, Kattupalli, Tamil Nadu

Globally recognised, state-of-the-art manufacturing facility for constructing and repairing ships and marine vessels.



Strategic Systems Complex, Talegaon, Maharashtra

Well-recognised facility for prototyping, manufacturing and testing precision engineering systems, sensors and electronic systems.



Manufacturing Units, Kancheepuram, Tamil Nadu

Multiple units in Kancheepuram (~70 km from Chennai) for manufacturing power transmission line towers, engineered systems for mining, cement, construction, steel, ports, and other core industries, and processing machinery for the tyre and rubber industries. A globally-accredited Transmission Tower Testing and Research Station is located at Kancheepuram.

There are other manufacturing units in Pithampur (Madhya Pradesh), Kansbahal (Odisha), Ranoli (Gujarat) and Coimbatore (Tamil Nadu).

A detailed description of the business capabilities, achievements and sector outlook is covered in the 'Management Discussion and Analysis' section of this Report.

Green Business

Building a sustainable future remains a core strategic priority for L&T, guided by two of its key strategic objectives:


SO-III

Developing business offerings to harness opportunities emerging from the global Energy Transition

In alignment with these objectives, the Company has strengthened its capabilities to offer and deliver solutions under its 'Green Business' portfolio. This portfolio is designed to address critical aspects of sustainability. It is centred around clean energy, mobility, water and sanitation, green infrastructure, and other emerging domains, contributing to a low-carbon and resource-efficient future.


SO-V

Enabling long-term business sustainability with a strong emphasis on ESG principles and shareholder value creation

The Company also uses its 'Green Business' portfolio to empower its customers to achieve significant sustainability outcomes, including enhanced energy efficiency, emissions reduction, improved water use efficiency, increased wastewater recycling and reuse, reduction of air pollutants, and broader resource conservation through material recycling and repurposing.

Furthermore, to ensure credibility and transparency in its sustainability disclosures, the Company classifies its Green Business revenues using the 'FTSE Green Revenues Classification System 2.0' (GRCS)². This system is robust, globally recognised, and closely aligned with the European Union's Taxonomy for sustainable activities, thereby ensuring a high level of alignment with global sustainability standards and investor expectations.

The Green Business constituted 53% (~₹ 75,500 crore) of the Company's revenue in FY 2024-25 as compared to 50% in FY 2023-24. Based on significant growth achieved and positive momentum of the Green Business, the Company has taken a revised target of 55% for Green Business revenue by FY 2025-26 (previously the target was to reach 40% by FY 2025-26).

Engineering News-Record (ENR), one of the globally recognised publications in the construction industry, has acknowledged the efforts of the Company. L&T has maintained third rank globally in the Top 200 Environment Firms Survey by ENR for three consecutive years (2022, 2023, 2024).



Clean Energy

- Renewable Energy - Solar, Hydel Power Plant
- Nuclear Power Plant



Clean Mobility

- Mass Transit Systems (Metro Rail, Light Rail Transit)
- High-Speed Rail, Semi-High-Speed Rail
- Conventional Rail Networks



Water & Sanitation

- Water Supply and Wastewater Collection Network
- Irrigation Systems
- Water, Wastewater and Effluent Treatment Plants



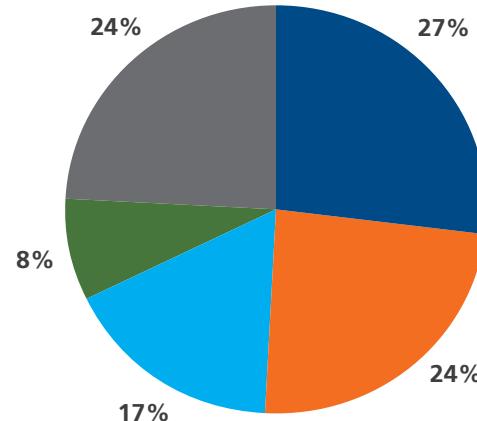
Green Infrastructure

- Green Buildings



Others

- Efficient Power Transmission and Distribution Systems
- Equipment for improving process efficiency
- Equipment for efficient resource extraction



² Globally accepted FTSE Green Revenues Classification System is a taxonomy used to define and measure industrial transition to a Green Economy.

It captures environmental products and services covering 10 green sectors, 64 subsectors and 133 micro sectors.

Source: <https://www.legg.com/en/ftse-russell/green-revenues-data-model>

The 'Green Business' offerings are linked to the two common strategies to deal with the impact of climate change.

STRATEGY	OFFERINGS
Climate Change Mitigation Efforts to reduce emissions and enhance carbon sinks	Renewable Energy Plants, Nuclear Energy Plants, Mass Transit Systems, Rail Networks, Efficient Power Transmission and Distribution Systems, and Others (Process Equipment for Clean Fuels)
Climate Change Adaptation Changes in processes, practices and structures to moderate potential damages or to benefit from opportunities associated with climate change	Water and Sanitation Infrastructure, Green Buildings and Others (Equipment for improving process efficiency and resource extraction)

Snapshot of the Company's Green Business offerings



Water Treatment Plants



Hydel Power Plants



Mass Transit System



Railways



Green Buildings



Nuclear Power Plants



Solar Power Plants

HUMAN CAPITAL

L&T recognises human resources as one of the most vital enablers of long-term, sustainable value creation. The Company's workforce is a dynamic, evolving ecosystem of individuals who bring passion, purpose, technical brilliance and leadership to their work and teams. With a multi-generational talent pool spread

across geographies, business verticals and disciplines, the Company thrives on the strength of its people who challenge the ordinary, solve complex problems and deliver outcomes that contribute to the progress of the nation and the global community.



Key Highlights for FY 2024-25

58,556

Employees²

34 Years

Median Age
of Employees

4.2 Mn

Safety
Training Hrs

Strategy Linkage¹



SDGs Linkage



Material Topics

- Employee and Workforce Engagement, Well-being, Health and Safety
- Skilled Manpower
- Talent Management - Attraction, Retention and Development
- Diversity, Inclusion and Equal Opportunity
- Human Rights and Labour Conditions
- Business Ethics
- Brand Management

¹ For details, refer to 'Business Model and Strategy' section of this Report.

² Employee count referred to includes permanent and non permanent employees and permanent workers

L&T's People: Enablers of Innovation and Sustainable Value Creation

Human capital is a key driver of long-term value creation and resilience. For the Company, its people are at the heart of its sustainable journey. The Company is committed to fostering a safe, inclusive and empowering work environment where talent is nurtured, well-being is prioritised, and continuous learning is encouraged. The approach to human capital management integrates ESG considerations, ensuring that the workforce strategy aligns with the broader commitment to responsible business practices. The approach for Human Capital is built on five foundational pillars:

- | Continuous learning and innovation culture
- | Performance with purpose
- | Capability building at scale

- | Fairness and inclusiveness
- | Well-being as a strategic enabler

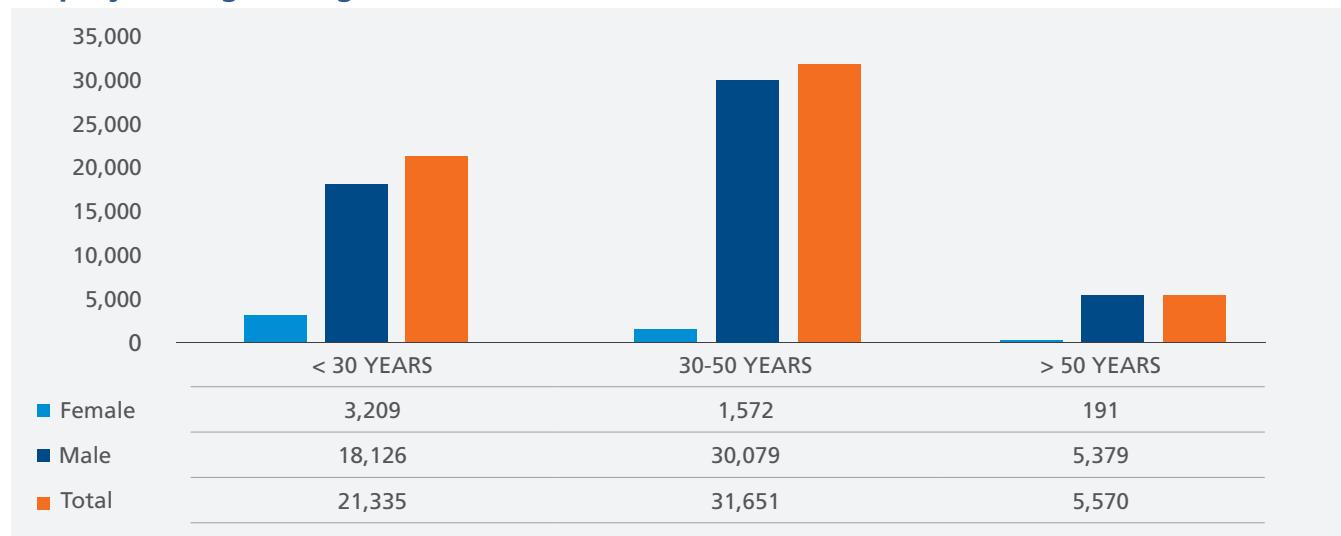
These pillars align with the Company's strategy plan Lakshya 2026, ensuring human capital development remains integral to business success and stakeholder value creation.



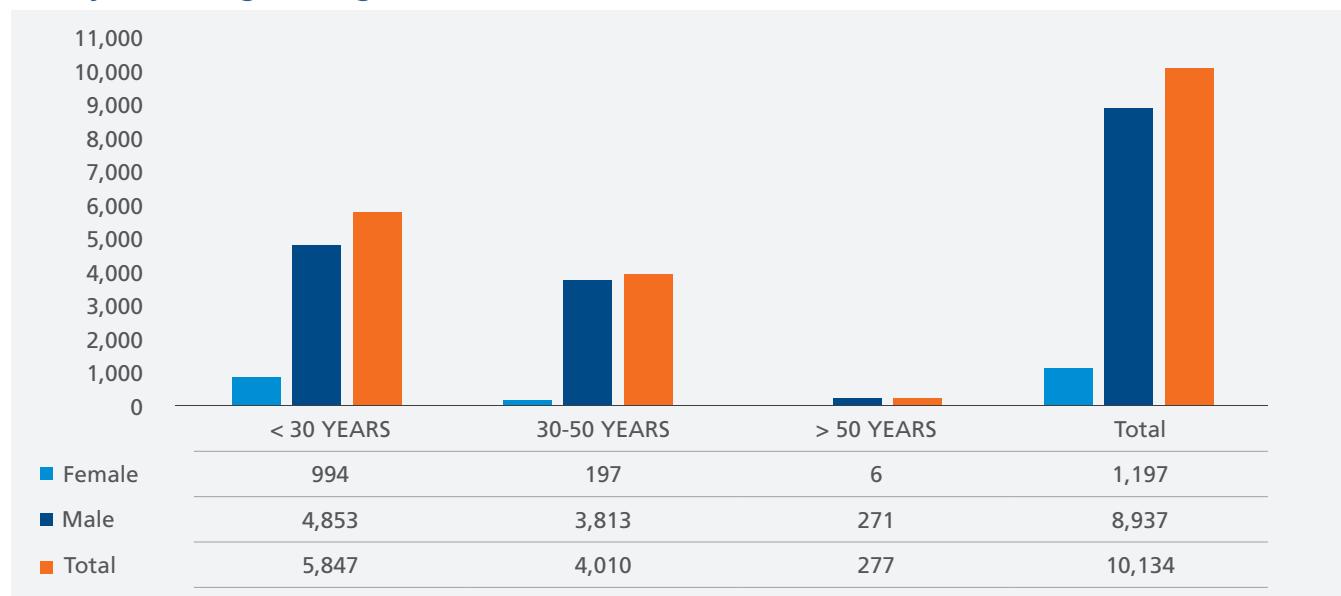
Workforce Profile and Composition

The Company's 58,556 employees - in the words of L&T's co-founder Henning Holck-Larsen - are its real assets. The young workforce brings with it an innovative approach, agile thinking and digital savviness. While employees hail from almost every Indian state and UT, the Company's diverse workforce also represents numerous nationalities. This creates a multicultural perspective that mirrors and enriches the Company's inclusive approach.

Employees: Age and gender wise distribution



New joiners: Age and gender wise distribution



The constant and conscious efforts on increasing gender diversity have ensured that today, nearly 5,000 women employees, among whom many hold positions of critical responsibility and leadership in every domain, across engineering, construction projects, high tech manufacturing, and new age services.

Talent Acquisition and Employer Brand

In FY 2024-25, the young professional talent acquisition team recruited and onboarded over 2,600 young engineering professionals across various businesses within the L&T Group as Graduate Engineering Trainees (GET) and Postgraduate Engineering Trainees (PGET) through campus recruitment. Additionally, over 1,600 young professionals, comprising MBA graduates, chartered accountants, cost accountants, diploma engineers and other trainees, were onboarded during the year.

GETs and PGETs, after being selected, are inducted into the organisation through the campus-to-corporate programme GRACE (Get Ready for an Awesome Career in Engineering), which encompasses a diverse array of online and offline pre-joining gamified exercises on the micro-learning platform of the Company.

Beyond recruitment, the focus is on redefining the employer brand through targeted campus engagements, strategic sponsorships at leading engineering institutes and dynamic social media campaigns. The branding initiatives are further strengthened by leadership talks and industry-academia collaborations, wherein the Company's senior management shares compelling stories that shape India's infrastructure

and drive national progress. These efforts consistently reinforce the Company's position as an employer of choice.

Through CreaTech, the flagship case competition for engineers, the campus interaction is expanded by offering students real-world problem-solving experiences that mirror industry challenges. These initiatives boost brand presence and give young minds a platform to showcase their technical acumen and strategic thinking.

During the year, OutThink, a business case competition, was launched. It received over 6,500 registrations across 34 premier B-schools across the country, competing to win cash prizes and pre-placement interview opportunities. Out of the 300 teams qualified for Round 2, the top 8 presented their solutions to real business problems before a distinguished jury.



Hiring of

30%

*women as GETs and PGETs over
the last three years*



Talent Management



Talent Identification

Performance Management System differentiates, recognises and rewards talent, while its integration with Career Development and Succession Planning ensures smooth leadership transitions. High-potential employees are identified and nurtured through Development Centres (DC) and the Technology Leadership Programme (TLP), which provides participants with clear insights into their strengths and growth areas. In FY 2024-25, over 1,500 employees were assessed through Development Centres, and Individual Development Plans (IDP) were prepared to map their personalised growth journeys.



Talent Review

The Talent Council, comprising business heads, HR heads and senior executives, plays a key role in identifying and developing future leaders. Through in-depth reviews, the council designs personalised development plans based on each candidate's strengths and growth areas. Interventions include cross-functional projects, training, leadership shadowing and coaching. A dedicated digital tool supports this process by tracking talent data and progress. This structured approach strengthens leadership capabilities and ensures business continuity through robust succession planning.

The 'Talent Review Process' for employees has been further strengthened to enhance visibility and support critical talent across the business units. Led by the Talent Council, this approach involves quality discussions and a user-friendly Talent Review software module to streamline the process.



Performance Management System (FAIR Process - Framework for linking Appraisals with Incentives and Rewards)

The Company's continual success rests on the foundation of a high-performance culture. The performance management philosophy is based on the principles of meritocracy, entrepreneurship, teamwork, and continuous learning and development. Performance Management System rewards excellence in performance through

- Performance planning
- SMART goal setting
- Cascading of goals
- Continuous review, monitoring, feedback and coaching
- Focusing on learning, development and growth
- Fair and objective assessment of performance





ESG Linkage to Performance and KPIs

The Company recognises that long-term value creation is intrinsically tied to ESG performance, and therefore, KRAs and KPIs linked to ESG are embedded in performance management systems. Key ESG metrics - energy and water intensity, GHG emissions, diesel reduction, renewable energy, safety performance, diversity and inclusion goals, community engagement, and compliance - are integrated into business/project-level performance indicators and individual KRAs. The business-level performance indicators are reviewed quarterly, and individual KRAs are reviewed twice a year. The performance in the KRAs is linked to annual performance appraisals, thereby reinforcing a culture of ownership and impact.

In response to the need for improvement in safety parameters at certain projects, the Company has introduced a Reward and Penalty System for its EPC projects segment. This initiative strengthens accountability and drives a safety and environmental responsibility culture.

Under this system:

- A **fixed monetary reward** is granted to business units that exceed defined safety targets and performance
- Conversely, a **fixed monetary penalty** is applied to units that fall short of these targets

This mechanism directly impacts the **annual performance-linked rewards or bonuses** for all employees within the affected business units, reinforcing the importance of safety outcomes as a core performance metric.

By aligning ESG KPIs with operational excellence and financial metrics, the Company ensures that the sustainability ambitions translate into measurable outcomes that drive risk mitigation and innovation and generate long-term returns for all stakeholders.



Learning and Leadership Development



L&T's leadership development framework is structured around four key archetypes:

Business Leadership

Business Leadership

Seven-Step Leadership Pipeline Programme is a flagship initiative designed to cultivate visionary leaders who drive the Company's strategic agenda. This structured programme, conducted along with the country's top business and foreign institutions as partners, ensures that the executives transition seamlessly into roles of increasing responsibility, equipped with critical competencies and global perspectives.

People Leadership

Project Leadership

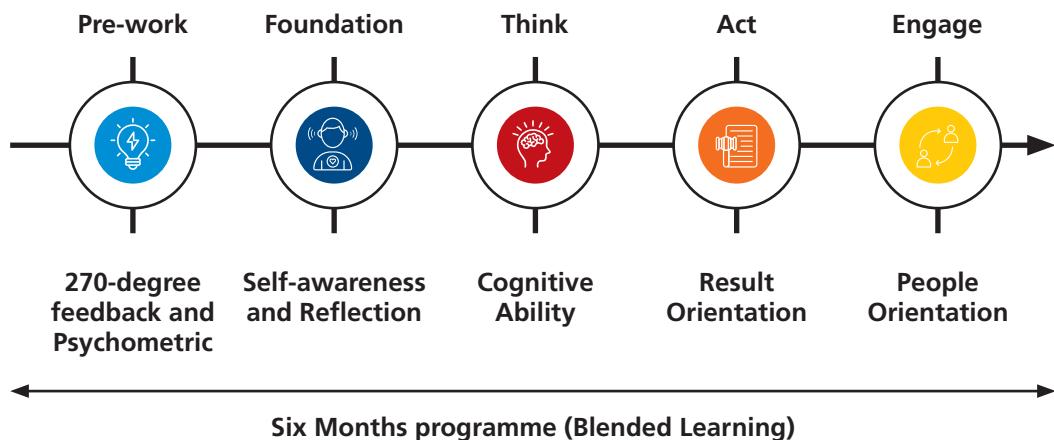
Technical Leadership



To align with L&T's evolving strategy, new elements such as sustainability-focused topics and rural immersion programmes have been introduced, alongside personalised coaching, simulation-based learning and immersive projects. These initiatives are designed to build a pipeline of socially responsible leaders equipped to navigate an increasingly dynamic business environment.

Further, the Company has launched the **ASCENT series**, a six-month, multi-level leadership development programme in partnership with top business schools. ASCENT blends experiential learning through action projects, real-world business challenges, simulations and mentorship. It equips leaders at all levels with strategic thinking, agility and the competencies required to drive long-term success and ensure smooth leadership transitions.

Ascent Series programme construct



Similarly, L&T's Management Development Programmes (MDPs) enhance functional skills and support long-term competitiveness. In partnership with premier B-schools like IIM-C, IIM-B and XLRI, these programmes help develop more than 800 employees annually through a blend of classroom learning, case studies, guest lectures and curated readings. Additionally, Executive and Supervisory Development Programmes (EDP/SDP), run with SIBM and NMIMS, focus on developing leadership at foundational levels.

People Leadership

Introduced in FY 2023–24, the People Leadership Excellence Framework is central to building the Company's leadership strength. It defines the journey of a people leader across five key dimensions of excellence: Personal, Relationship, Performance, Development and Leadership. Aligned with this, the **My People Leadership Insights** tool uses multi-rater feedback and AI analysis to provide leaders with actionable insights on their leadership style, organisational standing and growth opportunities.

L&T People Leadership Excellence Framework



Leader as a Coach: Strengthening a coaching culture

This four-month-long flagship programme, conducted in partnership with the Coaching Federation of India, empowers senior leaders with coaching and managerial behaviours aimed at enhancing their performance and relationship-building.

Leading with Emotional Intelligence

Designed to cultivate emotionally intelligent leadership, this programme equips leaders to manage complexity, foster collaboration and strengthen stakeholder engagement.

Mentoring: Learning from the Best

The Company's strong mentoring culture connects emerging leaders with senior management, offering strategic guidance and leadership insights to accelerate talent development.



Project Leadership

Institute of Project Management (IPM), an authorised Training Partner of PMI (Project Management Institute, USA), runs various programmes for building execution excellence.

PRAGATI (Project Leadership Development Programme) is a four-step competency-based initiative designed to develop project leaders capable of managing mega projects and portfolios. Aligned with the Company's strategic goals, PRAGATI nurtures well-rounded leaders equipped to drive large-scale execution with confidence and capability.

Essentials of Project Planning and Control (EPPC) programme is a three-month course designed to enhance project professionals' planning and

control capabilities. It covers key areas such as scheduling, cost estimation and project monitoring, with hands-on training in tools like Primavera and MS Project. The programme blends internal expertise with global best practices through e-courses from the Construction Industry Institute (CII, USA) and the in-house developed 'Accepted Cost Estimate' module. To date, IPM has upskilled over 4,200 engineers, strengthening excellence in project execution and enhancing client experience.

Knowvember is a knowledge management initiative of IPM that promotes cross-business knowledge sharing. Linked to this is **Innowvate**, a month-long event that provides

a platform for showcasing ground-breaking ideas and innovative project management practices.

IPM collaborates with various prestigious institutions to design and deliver the programmes. The Institute has partnered with IIM Indore for Level 1 Programme for Excellence in Project Delivery (PEPD), SDA Bocconi School of Management, Italy for Level 1+ International Executive Masters in Business with specialisation in Project Management (IEMB-PM), IIM Calcutta for Level 2 Advanced Project Leadership Programme (APLP), and The University of Texas at Austin, USA for Level 3 International Project Leadership Programme (IPLP).

Technical Leadership

Corporate Technology & Engineering Academy (CTEA) at Mysore and Madh delivers technical and functional training that is aligned with the Company's business needs and evolving industry trends. It offers skill enhancement for GETs, PGETs and mid-career professionals through hands-on learning, digital tools and cross-business knowledge sharing via summits and networking events. CTEA has state-of-the-art infrastructure to deliver an immersive experience, e.g., advanced labs in Precast, AR/VR, Electronics and Robotics.

The programmes offered by CTEA are:

Multi-Tiered Training Programmes

- Prayag:
Fresher induction covering engineering fundamentals, safety and automation
- Technical Competency:
Formwork, precast technology, offshore structural technology, predictive maintenance, fabrication, instrumentation and process control
- Advanced Technology Learning:
AI/ML, Industry 4.0, IoT, digital transformation and smart manufacturing

Hands-on Training & Digital Learning

- Technical Labs:
Covering manufacturing, digitalisation, electrical, instrumentation and safety
- Software & Simulations:
Tools like CREO, CATIA, AutoCAD, Ansys and cloud based training
- E-Learning Platforms:
IIT and IISc certified courses, digital libraries and research publications

Knowledge Sharing & Technical Events

- CAD FEST:
Showcasing design innovations
- Technology Conclave:
AI/ML, robotics and digital transformation discussions
- Virtual Technical Summit:
Expert-led sessions on nanotechnology, digital supply chain and smart manufacturing



Offshore Structure Technology

Comprehensive in-house offshore technical competency development specially designed for structural engineers of L&T Energy-Hydrocarbon business.

Precast Technology

CTEA's Precast Training embraces modern, sustainable construction with mould assemblies for 3D elements, PODs, staircases and bridge segments, providing hands-on training to enhance precision and efficiency in precast techniques.

TapRoot Root-Cause Analysis & NEBOSH Safety Management

CTEA organises TapRoot® Zonal Investigator training programme, a globally recognised methodology, by bringing together safety leaders to enhance their investigative capabilities and reinforce a proactive safety approach. Also, CTEA Mysore has delivered International General Certificate programmes as a learning partner for NEBOSH, globally recognised for HSE qualification.

Specialised Skills

In addition to business-specific technical programmes, two new notable certification programmes were conducted in FY 2024-25. The Bridge Engineering Certification Programme - conducted in partnership with IIT Madras - certified 15 engineers from Heavy Civil Infrastructure and Transportation Infrastructure businesses. Similarly, the Tunnel Engineering Level 2 Certification Programme, launched by the Heavy Civil Infrastructure business in collaboration with Visvesvaraya National Institute of Technology, Nagpur, involved a 12-day campus module and live action related to tunnel projects. Two batches, totalling 42 employees, have successfully completed the programme.

Long-Term Education Programmes

L&T invests in structured education partnerships to build technical and managerial capabilities among early-career employees while supporting their personal aspirations. The Company has partnered with leading global institutions to offer continuous learning in technical, project management and business domains, building individual capability and organisational strength.

Build India Scholarship:

Enables young engineers to pursue M. Tech. in construction technology and management through partnerships with IIT Madras, IIT Delhi, NIT Trichy, and NIT Surathkal

Integrated Learning Programmes:

Offers B. Tech. Degrees through BITS Pilani, KIIT Bhubaneswar, Nirma University, LPU Phagwara and VIT Vellore; M. Tech through DIAT Pune; and Industrial Safety Certification via SBTET Andhra Pradesh

Project Management Education:

In collaboration with NICMAR University, the Company introduced an Executive MBA in infrastructure construction management

M. Tech with NICMAR:

Newly launched co-branded M. Tech programmes in construction technology and management and infrastructure project management, offering industry-integrated learning at NICMAR Pune

MBA-equivalent Programmes:

Partnering with IIM Ahmedabad, SPJIMR and IFMR Krea University, the Company supports high-potential talent in pursuing advanced management education aligned with organisational growth



ATLVarsity

ATLVarsity, the virtual learning platform, offers a wide range of self-paced courses across technical, functional and behavioural areas. Alongside in-house developed content, it features curated programmes from learning platforms like SF LMS, Coursera, Skillsoft, Harvard ManageMentor and Coach Vani. Many of these offerings, developed in collaboration with top academic institutions in India and abroad, blend conceptual learning with peer interaction, mentorship and real-world projects tailored to the Company's needs. Focused on on-the-go learning, ATLVarsity offers AI-driven coaching, simulations, videos, e-books and leadership programmes tailored to employee roles.

ATLVarsity is a fully AI-curated learning academy that goes beyond content delivery to offer intelligent, personalised learning experiences. It uses GenAI for skill assessments and benchmarking, giving employees targeted feedback.

Key innovations include:

- CAISY, a scenario-based coaching tool
- Coursera Coach, a virtual instructor bot
- RaPL Craft, an AI engine that automates quiz and assessment creation

Additionally, Coach Vani leverages NLP and real-time feedback to build language and communication skills through AI-powered coaching.



Over

7.95 lakh

learning hours were recorded, with more than 90% of employees successfully completing at least one training course

People Leadership Academy

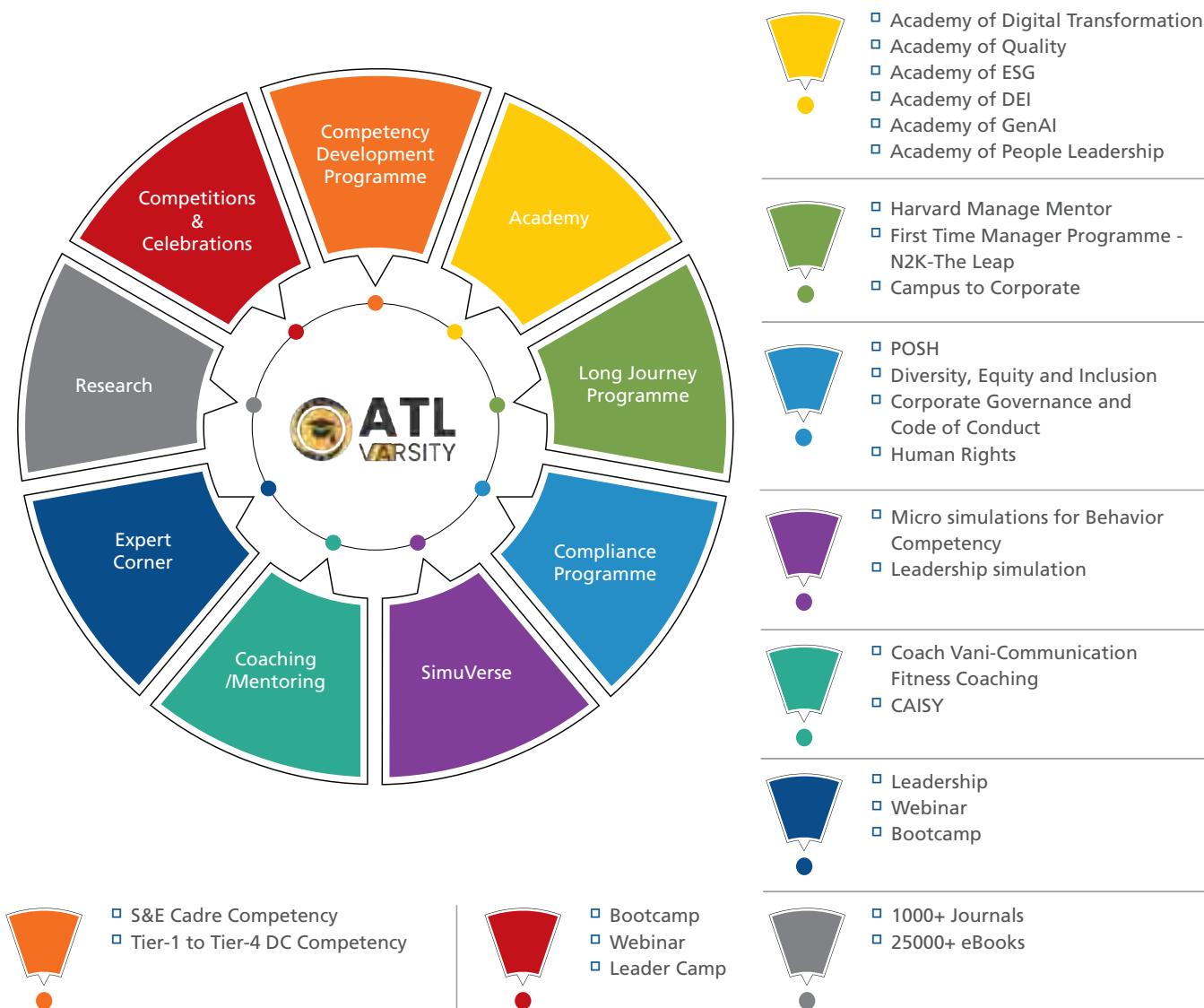
Launched in FY 2024-25 under ATLvarsity, the People Leadership Academy is built on L&T's five-stage People Leadership Framework. It offers structured, business-aligned leadership development, using Coursera's AI Course Builder to create tailored learning paths for both emerging and experienced leaders.

Engineering Academy and Capability Development

The Engineering Academy is a platform to engage with technical experts and provide them with the right opportunities, enabling an environment of adequate support and motivation to excel. In its inaugural year, L&T Engineering Academy conducted 10 specialised training programmes, reaching 293 participants across technical domains such as welding technology, structural steel design, construction safety, concrete technology, sustainable design and formwork systems. The academy also facilitated intensive training for 85 PGETs from premier engineering institutions, focusing on core subjects like building construction materials, structural engineering codes, geotechnical engineering and the design of concrete and steel structures. Additionally, 87 specialised staff were inducted through domain-specific expert development programmes.

Digital Library

L&T expanded its Digital Library by adding Skillsoft's e-book collection to the existing EBSCO subscription. With over 25,000 titles, employees can explore resources across Leadership, Business, Technology, Finance, Well-being, and more.



L&D Metrics FY 2024-25

Learning Outcomes

2,014

GETs and PGETs trained

45,80,490

Number of Learning Hours

53,031

Unique Learners

ATL Varsity

7.95 lakh

Training hours clocked
(increase by 53% y-o-y)

55.4 %

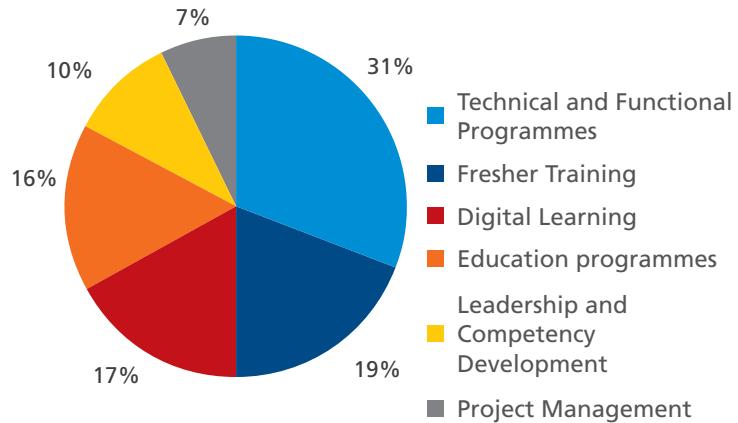
increase in learners compared
to FY 2023–24

CTEA (Madh & Mysore)

2,014

GETs and PGETs
trained

Distribution of training programmes



ESG Training and Awareness Building

Training and awareness programmes have been ramped up this year to embed and strengthen ESG integration across the organisation. This year, ESG module has been included in the Management Development Programmes.

In addition to the awareness sessions conducted by the Corporate Sustainability team, business-level sustainability coordinators and teams conduct numerous sessions for different functions and locations. These trainings aim to build an understanding of ESG principles, their relevance to the business, and the roles individuals play in advancing the Company's sustainability goals.

Sessions cover a range of topics, including fundamentals of sustainability, sustainability data management, climate change, water security, biodiversity, human rights, diversity and inclusion, reporting compliance and BRSR. Training sessions linked to GHG reduction initiatives, energy efficiency, water use efficiency and waste management

are conducted at work locations, i.e., EPC project sites and manufacturing facilities. Most of the employees and the contractual workforce are covered in these trainings.

Specific training is also imparted for key functions such as procurement and risk management and businesses to align decision-making with ESG considerations. Such initiatives help foster a culture of sustainability, equipping teams with the knowledge and tools required to make informed, responsible choices in their day-to-day operations.

In November 2024, hosted its annual two-day sustainability conference, ECOPHORIA, which brought together over 130 participants, including sustainability champions from across businesses and functions. Inaugurated by Shri Ajay Tyagi, Independent Director, and graced by esteemed external experts from different organisations, the event served as a dynamic platform for cross-functional collaboration, knowledge exchange, and the sharing of best practices.



15+ sessions
*conducted through MDP and
for businesses clocking more*
>920 hours



>60,000 hours
*of ESG trainings conducted by
businesses*



HR Digitalisation and AI Enablement

L&T's HR digital transformation began in 2019 with the rollout of SAP SuccessFactors. In FY 2024-25, this journey advanced with the launch of the SuccessFactors Learning Management System (LMS). The LMS enables personalised, flexible and device-agnostic learning while streamlining content access and reporting through a unified platform.

To further enhance employee experience, the Company introduced HEERA Plus.AI - an AI-enabled chatbot designed for HR query resolution. It provides tailored support ranging from policy information and leave tracking to workforce analytics dashboards for leadership. Leveraging Generative AI, HEERA Plus.AI handles over 300 unique scenarios, offering contextual, real-time and conversational responses, significantly improving query resolution efficiency.

Another key Gen AI-driven innovation is CAISY, a Conversational AI

Simulator designed as a scenario-based, personalised coaching tool for managers, enabling them to practice difficult conversations and enhance their communication skills. CAISY offers over 70 scenarios across three distinct personas -defensive, aggressive, and dismissive - providing a realistic and immersive environment for skill development.

Additionally, the Company has launched a new digital library through the Percipio platform, providing employees with access to over 15,000 books and articles from various fields and disciplines.

An AI-based 270-degree report as part of the People Leadership Excellence Feedback Instrument has been added, giving people managers a comprehensive overview of their competencies, strengths, and blind spots. It also helps in framing customised development plans for people leaders.

In FY 2024-25, the Company expanded its online compensation and rewards platform to cover all employees, streamlining and modernising compensation management across all business units. It also implemented a strategic shift towards a role-based organisation, supported by a comprehensive employee skill inventory and an integrated technology platform. This initiative aligns individual skills with job roles, enabling smarter talent deployment, personalised training and greater career visibility. It empowers employees to navigate multiple career paths while helping leadership make informed workforce decisions.

These initiatives reflect L&T's commitment to building a data-driven, agile HR ecosystem that enhances employee experience, operational efficiency and strategic alignment.

Diversity, Equity and Inclusion

Fostering Diversity, Equity and Inclusion (DEI) remains a key priority at L&T, anchored in the four pillars of The DEI Charter – Induct, Engage, Develop and Enable. The Company strives to build a workplace where every individual feels valued and empowered.

Campus hiring and RENEW, the Company's second-career programme for women, has strengthened the efforts to hire and retain diverse talent. During the year, the focus was expanded to include hiring differently abled persons, which was supported by stakeholder workshops and office accessibility assessments. Over 10 candidates were hired in technical roles within the L&T Energy - Hydrocarbon business.

As part of the DEI Academy, two curated learning journeys have engaged over 2,800 employees, while the Allyship Awards saw 1,500 nominations celebrating those who actively champion inclusion. The DEI Virtual Showcase connected with 20,000+ employees, spreading awareness and engagement across the organisation.

To build a strong pipeline of women leaders, 765 women have been part of the WINSPIRE Leadership Series, customised for different career stages since the launch of this programme. Winspire is designed to focus on addressing the developmental needs of women at various stages of career and life and equipping budding leaders with adequate capabilities.

Furthermore, the Company continues to nurture a supportive environment for women, especially working mothers, through flexible policies, including post-maternity hybrid work, travel with infants, creche facilities, ergonomic support and the newly introduced menstrual leave.

Similarly, the Company's DEI strategy blends structural actions like inclusive hiring and policy reforms with cultural initiatives such as training and allyship. This holistic approach fosters an ecosystem where diverse talent can thrive and drive business impact. The strong focus on women's leadership development and a conducive work environment reflects a genuine shift from compliance to purposeful inclusion.

I can proudly say, I had experienced Diversity & inclusivity in L&T when it was only a budding concept in Indian construction industry. Attending the leadership journey programme, Winspire - Propel; curated for mid-career women was a life changing moment. This programme helped me to understand my strengths and barriers, provided tools to improve and become a better person and develop my leadership identity.

- DGM Civil, Heavy Civil Infrastructure

A defining moment in my leadership journey has been my participation In Winspire Rise and later Winspire Propel, L&T's women leadership program. This experience has been truly transformative, reshaping not just my approach to leadership but also my perspective on life. More than just a professional development Initiative, it became of platform for self-discovery, empowerment and personal growth. This journey has reinforced my belief that success is not just about professional achievements but about self-growth, empowerment, and the courage to embrace one's true potential. I am incredibly grateful to L&T for these opportunities, and I am excited to continue leading with passion, purpose, and commitment to inspiring the next generation of leaders.

- Senior Manager (Electricals), Power Transmission & Distribution



Promoting Diversity at EPC Project Sites

The Mumbai-Ahmedabad High-Speed Rail project, India's first-of-its-kind, includes noise barriers along its entire route to minimise impact on communities and ecosystems. To meet the demand, the Company built a second factory with a mechanised set-up for efficient precasting of noise barriers.

Heavy Civil Infrastructure created an all-women team to run this factory, to promote gender diversity at the construction sites and help achieve the Company's gender diversity targets. An existing pool of GETs trained at the Precast Works Competency Cell was leveraged to form this all-women team. Cross-functional collaboration created an enabling environment - administration teams arranged accommodation and transport, while teams from Operations, Quality and EHS set up site systems.

Simultaneously, initial hesitation from predominantly male contractual workers was addressed through support from IR and HR teams. Senior management backed the initiative wholeheartedly, entrusting young women engineers with leadership roles at the factory.

Employee Experience and Engagement

At L&T, every employee interaction shapes their journey, making each day an opportunity to create a healthier and engaging workplace. For instance, the engagement with the selected graduate and postgraduate engineer trainees commences even before they formally join the organisation through the pre-joining programme named GRACE.

As part of ensuring an enhanced onboarding experience, Pulse Engage surveys are conducted through the HEERA platform at critical milestones (7 days, 30 days, 60 days and 180 days) for new joiners. This year, over 8,000 lateral new hires and 2,800 campus hires responded to pulse surveys.



L&T Radio, with over 140 podcasts across themes like Leadership, Wellness, Employee Stories and L&T Cares, has become a key platform for employee engagement. Available on RAPL, SharePoint, and Yammer, it connects leadership with employees through inspiring stories and insights.

To promote open dialogue, the '**'Let's Talk'** campaign was launched, encouraging people managers to have inclusive, real-time performance conversations using the Anytime Conversations feature integrated with the performance review system.

From the participation of 1,500 employees in its inaugural season to over 5,200 in its fourth edition in FY 2024-25, **QuizWiz** has emerged as one of the most cerebral and anticipated fixtures in the Company's events calendar.

Art Beats, an annual event conceptualised to bring out the artistic side of the employees through performances based on L&T-related themes, has become a unique platform to promote camaraderie and artistic innovation among team employees. During the year, the event witnessed around 500 entries.

Hi5 Plus App is a gamified recognition platform that drives instant appreciation through badges, wish cards and features like Wall of Fame, Long Service Awards and Birthday Corners. With AI-generated citations and a points-based reward system, it has become a hub for motivation and engagement.

The app is also a one-stop shop for holistic wellness and well-being with activities such as recording daily steps, BMI, calories, water intake,

daily tutorials and videos related to fitness. During the year, we organised wellness challenges like StepAthons, walkathons, and theme-based contests that boosted participation across businesses, strengthening team spirit and promoting well-being. Every business also conducts various activities to promote a culture that values health and fitness through cricket leagues, runathons and marathons.

From annual family days and festive celebrations to career guidance for children and care hampers for new parents, the Company has created opportunities for employees to celebrate their personal and professional milestones together. It reflects its focus on engagement, recognition, and well-being, ensuring a supportive & dynamic workplace and driving both individual and organisational success.

The **L&T's own HR Excellence Model (HREM)** Awards, in its 13th edition, saw the participation of 15 businesses. The HR processes of businesses, assessed by 30 CII-certified assessors, were recognised for their functional excellence, which has driven business results, at the award event marking the culmination of the HREM 2025 cycle.

Annual HR Awards (AHA) 2024, in its 5th edition, celebrated excellence across key HR categories, showcasing innovative approaches that drive continuous improvement. With 144 applications across individual and team categories, the

participants from various business HR teams showcased their initiatives in critical HR domains - excelling in talent acquisition by attracting top talent, fostering future leaders through talent development, enhancing workplace culture via talent engagement, and ensuring seamless HR operations through System Compliance and initiatives aligned with Lakshya 2026's strategic HR themes. The rigorous evaluation process followed the RADAR (Result, Approach, Deployment, Assessment and Refinement) model, with two external CII assessors conducting assessments, and a jury presentation comprising senior business executives and HR heads.



Health, Safety and Well-being

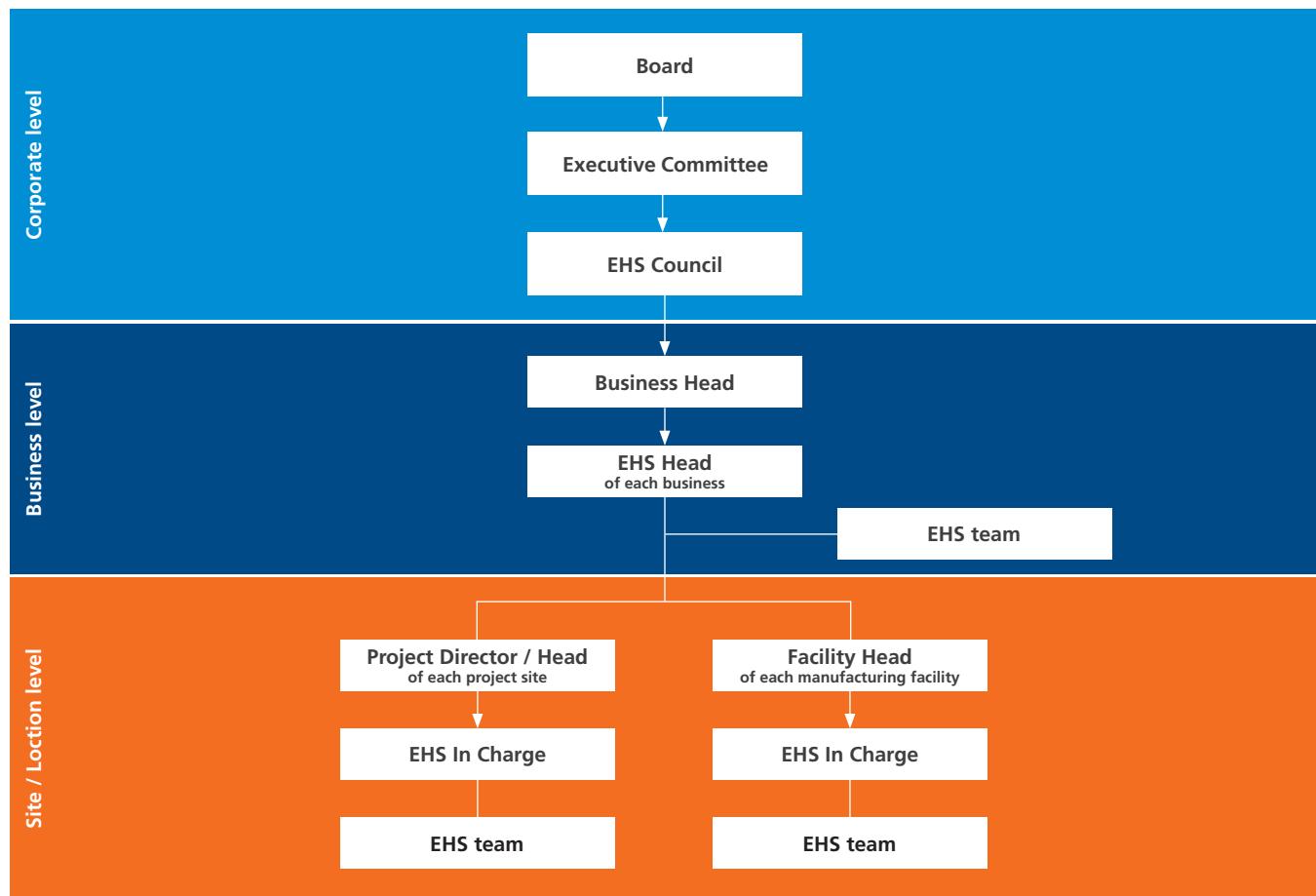
Occupational Health and Safety

Safety is deeply embedded in the corporate culture of L&T. At EPC project sites, where the nature of work often involves heightened risks, preventing accidents and safeguarding workers is of paramount importance. As a result, health and safety are recognised as material topics for the Company. This commitment extends beyond the permanent workforce and includes all categories of the workforce, including non-permanent employees and contract workers.

Driving the Safety Culture

The Company's commitment to safety is embedded in 'Mission Zero Harm', and its policies, processes and systems are aimed at achieving the same. EHS Council, headed by Deputy MD, is the apex body of the Company, which aims to make EHS processes more robust, institutionalise best practices, and help achieve its EHS targets. The EHS Council reports to the Executive Committee and the Board on a quarterly basis.

L&T's Corporate EHS Policy is the guiding document for ensuring environment, health and safety across the organisation. Each business unit has developed its own EHS policy that is aligned with the corporate framework and tailored to its specific operational context. The implementation of these policies is driven through a structured EHS Management System. This system, adopted by all business units, is based on globally recognised standards such as ISO 45001, OHSAS and relevant national guidelines and laws, ensuring a consistent and robust approach to managing EHS risks.

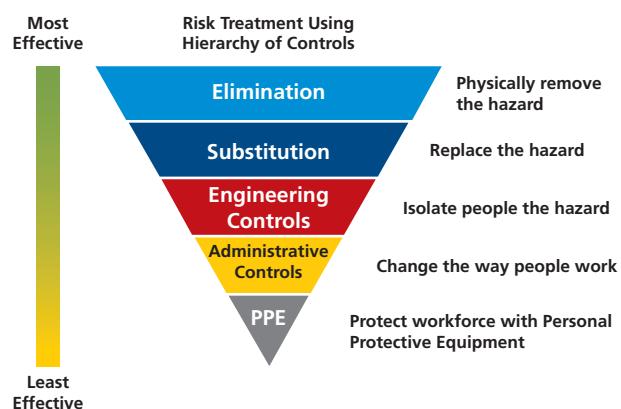
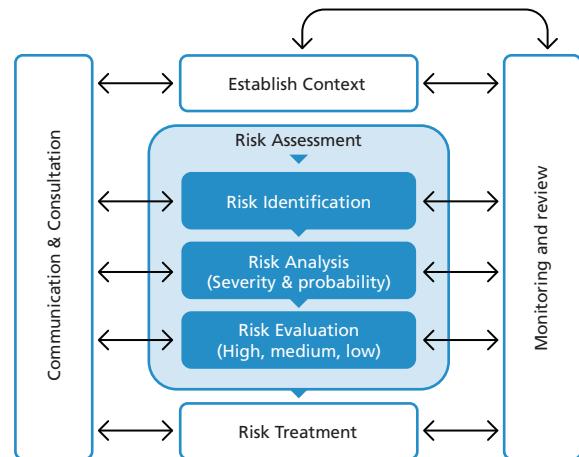


EHS Plans and Hazard Risk Management

The guidelines and procedures outlined in the EHS Management System (EHSMS) are operationalised through site-specific EHS Plans. Each work location, whether an EPC project site or a manufacturing facility, develops an EHS Plan that is tailored to the nature of its processes, activities and physical context.

For EPC project sites, EHS planning begins as early as in the bidding and design stages. The EHS Plan is finalised and implemented prior to the commencement of any on-site activity, ensuring a proactive approach to risk management.

A cornerstone of the EHS Plan is Hazard Identification and Risk Assessment (HIRA). HIRA systematically identifies routine and non-routine hazards at a work location, assesses associated occupational health and safety (OHS) risks, and determines appropriate control measures to mitigate them. This process involves participation from all relevant stakeholders, including design and construction engineers, planning teams, EHS personnel and contract workers. Such collaborative engagement ensures a comprehensive risk assessment and effective implementation of mitigation strategies.



Safety Performance Triangle



The Company has developed various applications to digitalise the EHS processes. This helps reduce manual effort, integrate data from various sources, and generate insights for analysis and decision-making. Machine learning and the Natural Learning Process (NLP) have been used to give actionable inputs to the end users. An immersive experience of AR/VR helps enhance training outcomes for both employees and workers.



Workplace Safety Implementation and Contractor Compliance

Standard Operating Procedures (SOPs) have been developed for specific work activities at each location. Compliance with these SOPs is ensured during both the design and execution phases of the work plan. A Permit to Work (PTW) system is in place for high-risk or regulated activities to further enhance operational safety.

Given the significant reliance on a contractual and non-permanent workforce - engaged primarily through subcontractors - it is imperative that subcontractors and their workforce adhere strictly to the Company's EHS policies and procedures. Compliance with these requirements is embedded contractually. Additionally, site teams may impose enhanced EHS requirements, wherever necessary, to ensure robust on-ground implementation.

L&T's Code of Conduct for Suppliers includes provisions related to health and safety. All suppliers are required to submit a compliance declaration affirming adherence to these standards.

Importantly, every individual - whether an employee, contractual worker or third-party visitor - must undergo mandatory safety induction training before being granted access to the work location. This ensures a unified understanding of safety protocols and expectations across all on-site personnel.



Training, Awareness and Communication

Effective implementation of the EHS Management System (EHSMS) is reinforced through structured training and targeted communication. The site EHS team prepares a comprehensive EHS training plan tailored to the specific requirements of the work location, ensuring coverage of all relevant personnel, including employees and contract workers.

Training programmes are designed to familiarise participants with key elements such as the Company policies, SOPs, hazards and risk identification, emergency preparedness, consequence of non-compliance, and awareness of health and safety practices - delivered through a variety of channels to maximise engagement and retention. One of the key tools used daily is the Toolbox Talk, conducted by site engineers or supervisors at the start of work shifts. These short, focused sessions highlight specific risks and the corresponding SOPs that must be followed for the day's activities. Additionally, specialised training programmes are organised for personnel involved in high-risk operations such as working at heights, confined spaces, or tunnel environments. Notice boards and warning signs are strategically placed throughout the work site, communicating key safety information, risks and required precautions.

Furthermore, a Communication Matrix is developed to map out the EHSMS elements, stakeholders involved, modes of communication and the corresponding evidence or records of communication, ensuring systematic and traceable information flow.



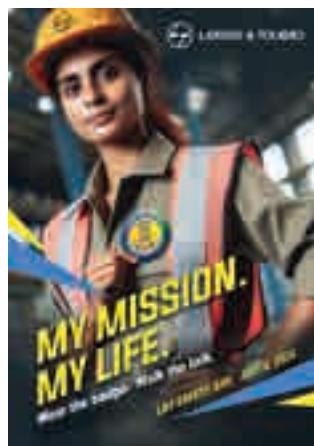


Performance Monitoring

EHS performance and implementation of EHSMS are monitored starting at the site level and going up to the Company board level. Business-level monitoring (management review meetings) is done monthly. EHS performance of specific work locations, both qualitative and quantitative, is monitored daily. This includes proactive and reactive measures. All personnel at work locations are encouraged to report non-compliance or observations and bring them to the notice of the concerned person or team.

Further, monthly EHS Committee (comprising of various on-site teams including contractors and worker representatives) meetings at the work locations are aimed at analysing the EHS performance, devising the corrective actions and monitoring the implementation of actions to be taken. Internal and external audits, through external experts or agencies, help identify the key gaps in processes and systems. These are further aided by inter-business audits conducted within the Company.

Moreover, preliminary and detailed investigation reports are made for any incidents occurring at the site and aid in devising corrective actions and new processes to address the gaps. The monitoring focuses on lead indicators, e.g., non-compliance and near misses, to help proactively identify the shortfalls in the implementation of EHSMS and formulate strategies to address them.



Mental Well-being

L&T remains committed to employee health and wellness, with initiatives focused on holistic well-being. During the year, a pilot wellness survey was carried out based on the four-pillar framework - physical, social, emotional and financial. A few of the actions taken as an outcome of the wellness survey are:

- A structured wellness policy covering all the key initiatives taken by the Company for the employees
- Thrust on annual health check-ups and tie-ups with hospitals across the country
- Activities like Aarogya Mela are organised annually, bringing the major health-related tests under one roof

Well-being Metrics

Various programmes aimed at promoting healthcare awareness and enabling early screening and detection of diseases were organised during the year.

	Training Programmes		No. of people trained		Diagnostic and screening camps		Beneficiaries
9		405		83		6,670	
	Webinars		Participants		Counselling cases		Self-assessments taken
70		13,588		740		840	

In-house and External Counselling Services

During the year, the Company facilitated mental health counselling services both internally and through external providers. These services ensure employees have confidential access to counselling, mental health resources, and support for both personal and workplace challenges.

	Registrations for external services		Counselling cases
13,614		740	
	Wellness coaching		Self-assessments taken
117		840	

Mental Health First

Aider's campaign for employees across the Company was launched in December 2024, inviting nominations from employees across India. From a total of 200 registrations, 50 participants were chosen to take part. This initiative aims to equip employees with the skills to identify mental health challenges, support individuals in need, and provide guidance on accessing professional help.

World Mental Health Day

Is observed every year on October 10 to raise awareness about mental well-being and mobilise collective efforts to support it. The impactful initiatives include curated articles, self-assessments, insightful infographics and dedicated podcasts - all shared with employees across India. Internal communication platforms, such as employee magazines and L&T Radio, were leveraged to ensure wide reach and engagement. These channels continue to play a key role in promoting mental health awareness and encouraging employees to utilise the wellness initiatives available to them.

Emotional Well-being

L&T's wellness journey has evolved with institutionalised programmes like Mindfulness and Art of Living, expanding to cover physical, mental and emotional well-being. The Company has partnered with SRMD, Saadho Sangh Foundation, and the Heartfulness Institute to deliver holistic wellness experiences. These initiatives promote resilience, mindfulness and purposeful living through practices like meditation and lifestyle-focused micro-habit programmes.



Other Initiatives

Larsen Memorial Run: This run is organised annually as an ode to L&T's co-founder, Henning Holck-Larsen. From the first edition in 2013, participation has increased each year. In FY 2024-25, more than 3000 registrations were received worldwide. Since 2021, the run has been organised in a hybrid format with a live and virtual event in collaboration with Strava.

In its second year, the Mumbai Sea Bridge Marathon on the Atal Setu generated a huge response from fitness enthusiasts, with over 5,000 participating.

L&T's commitment to protecting and upholding Human Rights

L&T is committed to upholding fundamental human rights across its operations and supply chains. The approach aligns with globally recognised standards, including the United Nations Guiding Principles (UNGPs) on Business and Human Rights, the Universal Declaration of Human Rights (UDHR), and the International Labour Organisation (ILO) Conventions.

Human rights are integrated into the Company policies and governance frameworks as part of its sustainability commitments, ensuring a responsible and ethical business ecosystem. Various aspects of human rights are incorporated into the Sustainability policy, the Equal Opportunity Policy, the Health and Safety Policy, the Code of Conduct for employees and suppliers, and the Whistleblower Policy.

Further, the Company continually strengthens & improves systems and processes wherever necessary, undertaking internal due diligence or conducting risk assessment, monitoring, providing remedies, and taking corrective actions to ensure protection of human rights.



Governance

With a strong pipeline of projects, the availability and management of workers, a critical resource, is essential for the successful and timely completion of projects. During the year, the Head-HR for Workmen was appointed to oversee effective sourcing, deployment, development, management and retention of workers across the Company.

Additionally, to meet the ever-growing demand for workers in the Company's project businesses, a Central Workmen Mobilisation Cell (CWMC) has been formed to collate the workers requirements from all businesses, collaborate with the heads of HR for workmen, and arrange mobilisation of workers from various sourcing centres.

Furthermore, the Task Force for Subcontractor Management has been formed to dwell on various aspects of sub-contractor development, rewards and recognition, retention of workers, streamlined timely payment, worker welfare, and progressively ensuring implementation of improvement ideas in collaboration with businesses.

Workplace Rights and Fair Labour Practices

- Zero Discrimination and Equal Opportunity: The Company ensures a diverse and inclusive workplace free from discrimination based on gender, caste, ethnicity, disability, or any other status.
- Freedom of Association and Collective Bargaining: The Company respects the rights of employees to form unions and engage in collective negotiations.
- Decent Work and Fair Wages: The Company upholds fair wages, ensures no wage discrimination, and complies with national and international labour laws.

Occupational Health, Safety and Well-being

- Zero Harm Policy: The Company prioritises employee and contractor safety, following global best practices in workplace safety. Details are elucidated in the subsequent section.
- Mental Health and Well-being Programmes: Regular health check-ups, stress management workshops and wellness initiatives are conducted to ensure a healthy workforce.

Prevention of Forced and Child Labour

- Zero Tolerance for Forced Labour: The Company ensures that wages or bonuses are not withheld and are paid in a timely and regular manner; no identity cards or other personal documents are retained; and no recruitment fees are charged or money deposits.
- No Child Labour: There are reliable procedures to check the age of job candidates by birth certificate and/or identity card. Child labour across all operations and suppliers is strictly prohibited.

Human Rights in the Supply Chain

- Supplier Code of Conduct: All suppliers must comply with the clauses of L&T's Code of Conduct for suppliers, including human rights.
- ESG Audits: During the year, ESG assessment of the critical suppliers has been initiated. This was conducted by an external third-party to ensure compliance with environmental, social and human rights standards.

Human Rights and Community

Respect for human rights extends beyond its own operations - it is central to how the Company engages with the communities in which it operates. The Company's initiatives to build strong, respectful relationships with local communities include:

- Engaging communities through regular dialogue and consultation to understand local concerns and expectations
- Supporting community development through initiatives that promote education, health, economic empowerment, and access to basic services
- Respecting Indigenous peoples' rights

Integrating human rights considerations into the Company's community programmes and partnerships aims to create long-term, positive social impact while reducing the risk of harm or exclusion.

Grievance Mechanisms and Access to Remedy

- Anonymous Reporting Channels: Enabling employees, suppliers and external stakeholders to report violations through confidential whistleblowing platforms
- Internal Complaints Committee (ICC): Addressing workplace harassment complaints as per the POSH Act, 2013
- Grievance Redressal for Workmen: Officers in charge of project accounts/admin/IR/project safety are mostly responsible for grievance redressal, which includes lodging, resolution, escalation, feedback and closure, record-keeping, reporting, periodic review and audits.

Training and Communication

Embedding respect for human rights across the operations begins with awareness and education. The commitment extends beyond policies - it involves equipping the employees, suppliers and partners with the knowledge and tools they need to uphold human rights in their daily work.

Employee Training

Regular training on human rights is provided to employees at all levels in different forms (online and offline). During the year, a specific learning module on ATLVarsity was launched to make the learning more interactive. This training is extended to both permanent and non-permanent employees. The module is designed to:

- Raise awareness of internationally recognised human rights standards
- Explain the company's human rights processes and expectations
- Identify and respond to potential human rights risks
- Promote ethical decision-making and a culture of respect and accountability

The effectiveness of the training is continuously evaluated, and content is updated to reflect emerging issues, regulatory developments and stakeholder expectations.



>23,500
employees trained on
human rights through
ATL platform



Supplier Engagement on Human Rights

Human rights training is also extended to suppliers. Through the supplier onboarding process and ongoing engagement, the Company communicates expectations regarding human rights, labour rights and workplace practices. In FY 2024-25, the Company organised four supplier awareness sessions covering more than 255 companies, comprising domestic and international supply chain partners. Additionally, 120 critical supply chain partners were assessed in five areas, including human rights and labour management. Moreover, the Company encourages suppliers to cascade training within their own operations and provide access to third-party resources and capacity-building initiatives where appropriate.

For further details on incorporating sustainability in the supply chain, please refer to Social and Relationship Capital.



Outlook and Strategic Priorities

The world is currently experiencing three concurrent shifts - digital (data), green energy and a shift from a unipolar to a multipolar world. These transformative shifts heighten global competition for top talent, particularly in emerging fields such as green energy infrastructure, data centres, e-commerce, and digital architecture.

To maintain a competitive edge, the Company is intensifying its commitment to talent development by investing in continuous learning, targeted upskilling and leadership programmes that align with evolving industry and market needs. This includes a focus on building a future-ready, high-performing workforce while prioritising employee well-being, ethical conduct and inclusive growth.

By embedding integrity and fairness into our culture and value chain, the Company empowers the people to thrive and lead with purpose. The Company remains steadfast in its commitment to human rights, fostering a workplace rooted in integrity and inclusivity. By inculcating ethical principles across the workforce and broader value chain, an environment is created where employees can thrive, collaborate, and contribute meaningfully.

The expected outcomes from these initiatives include:

Enhanced talent acquisition: Attracting top talent in the existing domains of L&T as well as the emerging fields like green energy infrastructure, data centres, e-commerce and digital architecture

Enhanced employee well-being: Prioritising the well-being of employees, ensuring they feel valued and supported

Strengthened Leadership with Purpose: Empowering employees to lead with purpose, contributing meaningfully to the Company's goals and the broader community

Skilled workforce: Developing a future-ready, high-performing workforce through continuous learning, targeted upskilling and leadership programmes

Reinforcement of ethical and inclusive culture: Embedding integrity and fairness into the Company culture, fostering an environment of inclusivity and ethical conduct

Commitment to Human Rights: Upholding human rights and creating a workplace rooted in integrity and inclusivity

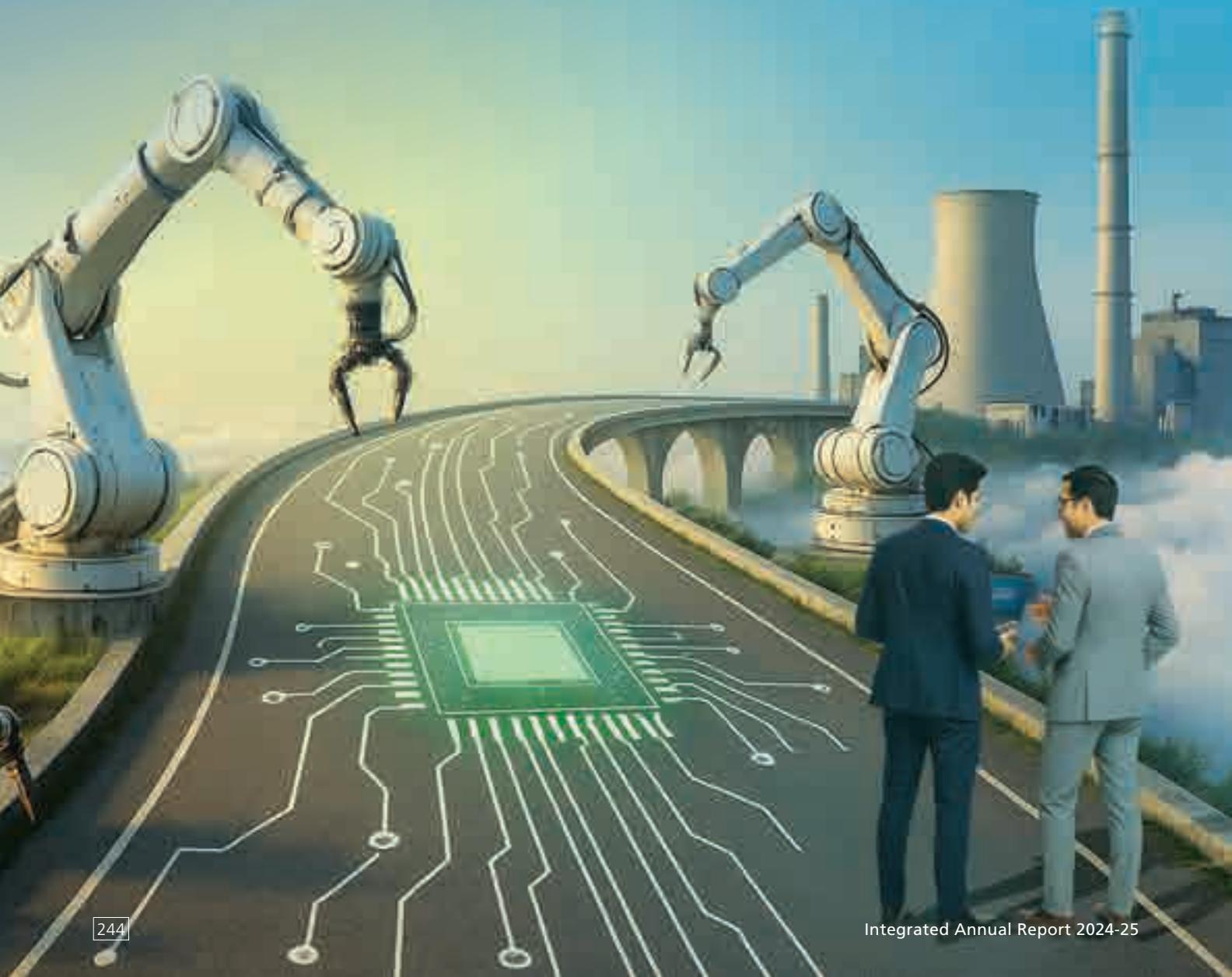
These outcomes collectively aim to position the Company as a leader in its industry, capable of navigating and thriving amidst the ongoing digital, energy and geo-economic shifts.



INTELLECTUAL CAPITAL

Innovation is a key enabler for the Company to improve its operational performance, reduce its environmental footprint and enhance customer satisfaction through better offerings and delivery. Focus areas for innovation are improving product design/features, enhancing resource (manpower, machine) productivity, reducing delivery

timelines, reducing environmental impact, increasing the use of non-virgin and eco-friendly materials, and improving the climate resilience of assets created. R&D teams, engineering and design teams, competency cells, and site-level execution teams drive action in these areas.



Key Highlights of FY 2024-25

₹ 479 Cr Total R&D spend
(cumulative over last 3 years)

144 R&D Engineers
and Scientists

Strategy Linkage¹



SDGs impacted



Material Topics

- Quality of Products and Project Delivery
- Talent Management - Attraction, Retention and Development
- Data Security, Privacy and Cybersecurity
- Brand Management
- Business Ethics

¹ For details, refer to 'Business Model and Strategy' section

R&D initiatives at L&T Construction Research and Testing Centre

The L&T Construction Research and Testing Centre (LTCRTC) is a distinguished facility within L&T, recognised by the Department of Scientific and Industrial Research (DSIR) and accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL). It is the only centre of its kind in India's private construction sector.

The Centre tests various construction materials, provides value-added solutions to critical issues, and undertakes R&D projects. Also, LTCRTC is active in various nodal committees and professional bodies and publishes technical papers in reputed journals. It serves as a hub for innovation and quality assurance in the construction industry.



LTCRTC, Chennai



LTCRTC, Chennai



Maturity Meter for Concrete

Determining the early age strength of concrete is an important parameter for monitoring its quality. The typical method involves cube casting, curing, and testing at different intervals (3 days, 7 days, 28 days and 56 days) and destructive testing which is time consuming and generates concrete waste. Maturity Meter is a technology adopted by some companies across the globe to streamline the process. However, the adoption remains low due to high instrumentation costs and data processing complexities.

LTCRTC team developed an in-house maturity meter using Bluetooth Low Energy technology for wireless data logging and AI, which helps monitor and predict concrete strength development. This solution not only reduces the time for testing but also helps avoid the cube-making process and material consumed for the same.

As a result, **the cost of concrete testing is reduced significantly by almost 60%, while the time to determine concrete strength is cut down by 20% compared to the conventional method.**

This enables near real-time quality monitoring while ensuring compliance with the rigorous demands of high-production environments and strict execution timelines. The solution has been trialled at five sites, yielding promising results that support its full-scale implementation.



Chloride Removal from Concrete

The durability of concrete structures is a concern in harsh environmental conditions, such as marine environments, primarily due to chloride ion penetration leading to reinforcement steel corrosion. Typically, this issue is addressed by reducing concrete permeability or using specialised reinforcement steel. However, if the chloride content in hardened concrete exceeds technical limits, the conventional approach involves either demolishing the affected structure or patching damaged sections. This increases costs and disrupts execution timelines.

LTCRTC has developed a solution that involves extracting the chloride ions by passing a DC current and using a sacrificial anode. This solution can potentially reduce **the costs of handling chloride penetration cases by up to 70% while reducing the waste generated.** The solution is at the prototyping stage, and likely to be deployed at project sites in a year.



Geopolymer Concrete

Embodied carbon in the concrete significantly contributes to the value chain emissions of the construction sector. These primarily include emissions from cement production, steel reinforcement, and transportation of materials to the construction site. Globally, several alternate materials are being developed to replace cement in the concrete.

LTCRTC has developed a Geopolymer Concrete that replaces Ordinary Portland Cement (OPC) with industrial waste products, i.e. fly ash and granulated ground blast furnace slag (GGBS). The mix is activated with alkaline solutions, e.g. sodium hydroxide and sodium silicate, to bind the aggregates and improve the open time of the mix. Concrete is then produced using the admixture to eliminate the use of water. Due to waste material usage, **the embodied carbon of the concrete is reduced by almost 60% and avoids water use**. This innovative product is highly suitable for precast applications (e.g. sewer lines) and has been used for precast elements in two residential housing projects so far.

Textile-Reinforced Concrete (TRC)

Cement and steel have high embodied carbon, making reinforced concrete a material with a high carbon footprint. Various alternative materials are being explored to replace such high-carbon materials.

LTCRTC has developed an optimised fine-grained concrete mix by incorporating glass fibre textiles as reinforcement for creating TRC, thereby eliminating steel requirement in such a mix. This facilitates the fabrication of thin structural elements with improved strength and durability.

In addition to a lower carbon footprint (~15-20%), this concrete has lower weight (per m³), further reducing energy requirements in transportation and handling. TRC has been used in civil works of a lift irrigation project in Odisha.

High-Performance Asphalt Mixes

Rutting has long been a major challenge for bituminous pavements, particularly in warm and hot climates. High-Performance Asphalt Mixtures (HiPER) have been widely adopted to address this issue, offering a combination of high modulus and exceptional fatigue resistance.

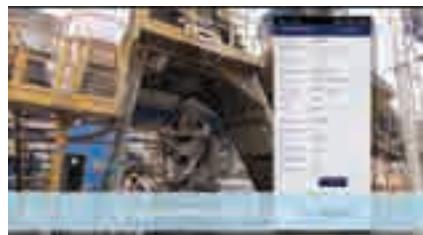
LTCRTC has developed HiPER mixes using three approaches: incorporating synthetic co-polymers, replacing aggregates with reclaimed asphalt pavement (RAP), and using specially designed hard-grade binders. This reduces overall pavement thickness in traditional bituminous pavements, resulting in a 7-10% lower cost than conventional mixes. Also, using synthetic co-polymers and RAP helps **reduce the consumption of virgin aggregates by 25-35%, lowering the carbon footprint of the process by 10-15%**.

Further, the superior fatigue endurance of HiPER mixes extends pavement lifespan, reducing overall repair and maintenance costs. The use of HiPER mixes, in areas susceptible to creep loading and rutting, is being explored for upcoming highway and airport runway project contracts.

EPC Projects : Digital Transformation

L&T has been actively pursuing digital transformation across its diverse business segments to enhance operational efficiency, foster innovation, and maintain a competitive edge in the industry. Digital transformation of EPC Projects is a key lever to improve the execution speed, control costs, enhance quality, and maintain a high level of safety. The Company's digital journey started with digitising and installing various sensors and then moved to digitalisation of systems and processes.

During the year, the Company deployed new-age technologies like Machine Learning (ML), Natural Language Processing (NLP), Generative Artificial Intelligence (GenAI) and other technologies to enhance the efficiency of various systems and processes.



Legend

 New solutions developed



Pre-Construction

Optrix

Automatically generates multiple design options and recommends best-suited ones for a particular category of work, helps reduce reliance on subject experts, as well as enables cost optimisation to support bidding

3D-based Constructability Simulations Using VR

3D-based Constructability Simulation tool that evaluates construction feasibility before execution, identifying potential challenges, optimising sequences, and improving resource allocation

Dhruv

GPS-based application, with project BOQ added, to simplify the survey process and reduce survey time

Dharti

Centralised data repository of subsurface data, quarry and crusher locations to optimise the aggregate sourcing



Project Management

ProWPack

Enables construction-driven project management by defining construction areas into manageable work packages

SPTTrack

Smart piping and structural tracking tool for construction-driven planning and monitoring, maximising full kitting of priority lines, expediting the critical areas and generating system alerts for all the stakeholders

Pronto

Centralised work order and customer management platform to support invoicing, subcontractor billing, vendor payments, and other related areas

IPMS

Integrated Project Management System that captures all relevant KPIs across domains with customised dashboards and analytics; includes connectors for direct integration with Primavera and Microsoft Project

Procube

Project monitoring application providing real-time insights into project progress, enabling teams to track milestones, allocate resources, and ensure timely delivery

WRENCH

Centralised platform with automated live S-Curves and progress dashboards; enables document management and communication control across all stakeholders



Resource Management and Productivity

FormPro

Solution to monitor formwork related activities and avoid excess ordering by controlling retention of formwork after work completion

mTRACK with eALPS NxT

QR-based Material Tracking System seamlessly integrated with eALPS NxT (a project management tool), to reduce manual intervention in progress updates and help optimise resources in real-time

Rebar Pro

Monitors daily rebar usage and generates an optimised cutting plan to reduce rebar wastage

Material NxT

Material management solution to provide real-time stock visibility, indent raising through mobile app, enhanced checks in material issues and seamless integration with ERP

ConPro

Solution to enable end-to-end tracking of concrete supply chain at the project sites, to help monitor and control wastage and improve utilisation of resources, e.g. transit mixers

T-Trax

RFID-based solution for tracking transmission tower bundles across factories and site locations to improve tower-wise visibility, traceability, and lot completion



Material Management and Supply Chain

P&M Equipment Allocation

Application to manage the daily allocation of equipment across multiple sites and track utilisation as well as productivity of the assets, has the ability to handle scenarios of conflicting requirements from sites

Precast Cycle Time Tracker

Real-time tracking and monitoring of precast segments alongside resources deployed in both casting and erection

Tunnel Segment Management System (TSMS)

Enables Tunnel Segment tracking in the casting yard and erection site through barcode and RFID, also helps in quality checks

Asset Insight

IoT-based solution to monitor equipment and machines deployed at sites and improve productivity of assets

Workforce Induction & Skills Application (WISA)

Digital platform to streamline worker onboarding process and worker data management



Safety, Quality and Others

Quality Sanyog

A platform for end-to-end tracking and monitoring of quality-related observations or non-compliance, training, and related processes

Optimuck - Muck Disposal System

A digital solution for tracking and recording muck disposal data with minimal human intervention to ensure accurate documentation of disposal data; incorporates innovative technology to optimise the disposal process

Safety, Health & Environment for Industrial Landscape through Digital (SHEILD)

A digital platform to communicate work plans and approvals, create checklists, record safety parameters, support safety audits and provide data visualisation with analytics

Vision Analytics

A solution utilising ML to enhance worker safety, productivity and vehicle tracking at project sites by leveraging real-time CCTV feeds

Help Lightning

AR-enabled remote assistance application, including video collaboration services that enable experts to work virtually side-by-side with site personnel

Gaps Information Monitoring Systems (GIMS)

Solution to help monitor gaps in pipeline network projects using a mobile application, enables real-time monitoring and analytics to identify potential bottlenecks

Hi-Tech Manufacturing : Digital and Automation

L&T is at the forefront of integrating digital technologies and automation in the Hi-Tech Manufacturing segment, aiming to enhance operational efficiency, product quality, and innovation. These initiatives have also helped to reduce workforce requirement in production as well as improve safety performance.



Engineering

Auto Digishop

Automates the process of generating shop drawings directly from General Arrangement (GA) drawings, streamlining workflows and enhancing productivity; output is directly fed to the Computer Numerical Control (CNC) machine, resulting in hassle-free tower manufacturing

3D model-based Product Lifecycle Management (PLM) system

3D model-driven platform replacing manual 2D processes, automating the creation of the Bill of Materials (BOM), automating the Place Cutting Request (PCR) generation for 3D model parts, with a comprehensive digital library for weld sub-types, facilitating easy assignment and management

Design and Engineering Automation

Automation of entire design and engineering activities using a rule-based algorithm to generate 3D models, drawings, BOM, Seam List, and other related items



Quality and Other Applications

RAM Automation

Application that automates calculating the reliability, availability, and maintainability (RAM) of critical components

Image Processing Analytics for BOM Inspection

Inspection of electronic panels and PCB cards with the help of advanced image processing and analytics

Integrated Engineering, Manufacturing and Quality System (IEMQS)

Integrated application to automate various procedures for engineering, planning and quality functions, along with digital documentation

Digital Shop Floor

Operation sequence mapping (OPSQ) for the assembly process for machine building, provides a visual insight into the progress at the shop floor directly to the customer

Carousel and MTS

Automation of storage and retrieval process by installing carousel machines integrated with ERP system with QR codes for material entry and issue

Legend

| New solutions developed



Equipment Productivity and Utilisation

Automated pipe inner diameter cleaning crawler

Motorised crawler developed with a rotating head to clean pipe inner surface thoroughly; eliminates manual effort and provides consistent, high-quality output

Auto setup station for a circular seam of shells

System developed in-house, equipped with the driver turning rollers and submerged arc welding stand, movable on longitudinal rails and controlled by a single operator; with the ability to handle high capacity and large diameters, thereby eliminating the use of overhead cranes and reducing the requirement of skilled operators

All position nozzle overlay station

Developed a servo-controlled special purpose machine to mount nozzle on a rotating positioner and mounting plate featuring four jaws; allowing precise control and synchronisation with arc welding torch's travel, reducing cycle time and optimising gas requirements

Connected machines

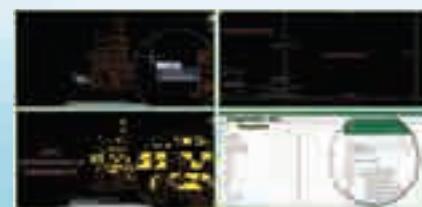
IoT solution through deployment of sensors to collect machine-related information to help monitor utilisation, process parameter compliance and overall equipment effectiveness

3D Metrology, IIoT and Advanced Tooling

3D scanning for machining without loading the job on the machine and IIoT allows vendors to monitor machinery conditions remotely; Alberti angle head used to reduce machining cycle time

Welding Automation for Shells

Automating welding using Robotic Gas Metal Arc Welding with advanced pulse synergic weld metal transfer technology, for external welding of shells, reducing manpower requirement and improving quality



Value Engineering and Design Optimisation

The design and engineering teams at L&T follow a continuous improvement process to explore options against conventional designs and experiment with new materials. This helps optimise material requirements, minimise execution time at the site, and reduce costs.

Sea wave Simulator

Customised in-house sea wave simulator developed by repurposing old inventory items to develop key components; reduces costs and overcomes constraint of availability of limited facilities in India

Friction-cum-Hydraulic Buffer Stop

Unique design of friction buffer stop for semi-high speed rail projects; new design transfers energy from coupler of rolling stock to dampener and then to friction action of shoes in rails, thus reducing material requirements as well as sliding length in concrete track

Elastomeric Separation Layer for PORR Slab

Collaborated with local partners to indigenously manufacture specialised elastomeric mixture for PORR slabs using recycled rubber crumb; not only reduced costs substantially compared to import but also decreased delivery time while promoting Make-in-India

Automating RCC Box Bridge GADs

Using AutoLISP, key design parameters were linked to AutoCAD and helped to reduce the General Arrangement Drawing (GAD) generation to minutes instead of days while ensuring accuracy and consistency

Automation of BIM Design and Models for Substation Projects

Solution developed in-house to automate repetitive tasks in 3D modelling of substations and improving the coordination between various stakeholders

Early Detection of Failures in PV Plant

A software solution was developed to predict underperformance of generation in solar PV plants using data analysis trends

Autonomous Transportation Robot for Solar PV Panel Cleaning Systems

An autonomous robotic vehicle developed to transport solar PV panel cleaning robots across different rows in large-scale solar photovoltaic power plants

Structural Weight Optimisation for Jacket and Topsides

Structural design optimisation to simplify design, reducing material quantity as well as installation requirement

Automated Generation of Instrument Engineering Drawings

Utility developed to automate 2D drafting activity for Instrument Loop Drawings and Instrument Interconnection Drawings; reduces manual effort as well as improves accuracy of drawings

Design Optimisation of Burn Pit

A new system to automatically control blowdown (safe gas discharge and burn) without continuous monitoring by the operator and to use pipeline gas for pilot burner, thus improving operation reliability and monitoring while eliminating the use of propane gas for burner

AG-UG Interface Utility

Application developed to automate the monitoring and control of Aboveground (AG)-Underground (UG) interfacing; using inputs from PI&D (Piping and Instrumentation Diagrams) and 3D models, reducing manual efforts, and improving accuracy

SRFC for TBM LaunchPad

Steel Fibre Reinforced Concrete (SFRC), combined with higher-grade concrete, was used instead of Rebar in Reinforced Cement Concrete (RCC) for the Tunnel Boring Machine (TBM) launch system; supporting the execution time as well as workforce requirements

Earth Retention System for Shinso Pile Foundation

In-house designed innovative earth retention system for large diameter Shinso Pile Foundation using circular liner plates reinforced with intermediate stiffeners in the form of ring beams, which resulted in substantial cost savings as well as lead time reduction in supply chain and execution time

Ground Improvement in Portal Zone

Ground improvement was done to control the surface settlements in the portal zone of the NATM Tunnel Rail project, using cement grouted columns; helped reduce additional load on tunnel lining and ensured safety during execution

Bearing Capacity Assessment using Scaled-down Plate Load Test

A scaled-down plate load test was used to simulate real-world conditions, offering insights into the bearing capacity and behaviour of various soil layer combinations; helped reduce foundation overdesign and improve the reliability of shallow foundations

Barrette in Top-down Construction

In the top-down construction of the Cut & Cover section, the barrette was extended to the top level of the roof slab, thereby eliminating the need for structural steel plunge columns; resulting in significant material savings and reduced construction time

Inclined Strut Arrangement in Underground Metro Projects

An inclined strut was proposed between the D-wall and concourse slab in top-down construction to eliminate temporary struts and walers placed between the base slab and concourse slab; the innovative design reduced the material requirement significantly and improved ease of construction

Precast Overhead Storage Tank

A new design using Precast method developed for overhead water storage tanks to substitute conventional steel storage tanks, leading to significant reduction in on-site execution time and manpower besides improvement in quality

Hybrid Construction of Intake Pumphouse

A new technique was adopted to implement the Hybrid approach, i.e., combining precast elements with in-situ construction; precast was used for beams and roof slab; rafts and walls were constructed using mass concreting and slip form; leading to significant reduction in execution time and improvement in quality

Precast Staging for large Overhead Tanks

Precast Staging was designed, where staging components like columns, beams and slabs were made in a factory and then transported to the site for assembly to replace in-situ staging construction for overhead tanks; which significantly reduced execution time and manpower requirements

i-TSP

Developed i-TSP (Innovative Technology Selection Portal), a centralised platform designed to automate and optimise the evaluation and comparison of wastewater treatment schemes; helps automate analysis as well as generation of BOQs for different schemes

Centralised Web-Based Portal for Engineering

Web-based Portal developed using Python and JavaScript for auto-generation of design calculation documents for water projects, helps in the bidding process to automate the engineering calculations as well as generation of options

Auto Zoning

Automatic zoning, using ML GIS technology, developed using SCMC algorithm to optimise village zoning based on geospatial attributes; significantly reduces manual effort for zoning calculations; results are integrated into pipeline design for optimised routing

UCCC for Unmanned Tubewell Automation

Multi-level Control System for centralised water management using IoT, SCADA automation with PLCs, sensors, and predictive maintenance for efficient operation; VSAT Communication for unmanned, remote-controlled tubewell operations

Molten Salt Bath Reactor (MSBR) System in Specialty Chemicals

In-house design and development of Molten Salt Reactor Systems using advanced fluid analysis and simulations

Vaporisers in Refining and Petchem

An innovative in-house design developed for a Dryer Regenerant Vaporiser and a special design of Flare KOD Vaporisers, leveraging extensive expertise and validation through advanced fluid analysis and simulation

Leveraging AI in Processes

Precast Operations

AI incorporated in the casting yard's CCTV cameras to track the cycle time of processes for precast elements and resource utilisation in the yard

Chatbots for Project Data

AI-powered chatbots provide real-time assistance for project-related queries on commissioning, punch points, logistics, and other areas

Galvanisation monitoring

AI-based OEE (overall equipment effectiveness) monitoring through video analytics for the galvanisation process in the Transmission Line Tower factory

NRW Reduction using Digital Twin

AI-driven Digital Twin solution for loss identification in District Metered Areas (DMAs). By simulation, real-time data can be continuously monitored and analysed, further predicting potential leak points and identifying areas with high probabilities of Non-Revenue Water (NRW) losses

Auto defect recognition for PAUT

Phased Array Ultrasonic Testing (PAUT) is used for the inspection of the steel welds; an AI solution was deployed for UT data interpretation using a hybrid mathematical model reinforced with ML

Data Extraction through AI/ML and automated survey vetting

AI/ML integration with GIS to transform satellite imagery analysis, enabling efficient extraction of habitation and road network data, even in remote areas, ensuring high accuracy and minimising manual effort



L&T Cognitive Services

The Company has established L&T Cognitive Services to spearhead its AI initiatives, aiming to enhance operational efficiency, reduce costs, and foster innovation across its diverse business segments. Operating under a hub-and-spoke model, L&TCS emphasises a 'Business First' approach, ensuring that AI solutions align closely with the Company's strategic objectives.

Strategic Pillars of L&TCS:

- 'Single Source of Truth' for reliable data
- Optimised AI outputs through advanced algorithms
- Domain-specific small language models for unique business challenges



Key Initiatives and Achievements:

- AI-driven Contract Management: Leveraging Azure OpenAI, innovative solution developed to streamline contract analysis by rapid identification of crucial clauses and extraction of technical deliverables from extensive documentation
- Operational Efficiency Enhancements: By integrating AI applications, machinery and workforce planning processes have been reduced to 10 minutes from 2 weeks earlier. AI-driven insights have led to ~2 to 3% cost savings, contributing to enhanced operational productivity.

- Comprehensive AI Strategy: Developed a customised PolyLLM framework and adopted a composite AI approach to provide a secure and scalable infrastructure for AI initiatives. This strategy encompasses over 100 AI-driven use cases, targeting significant cost savings and enabling strategic decision making across the organisation.

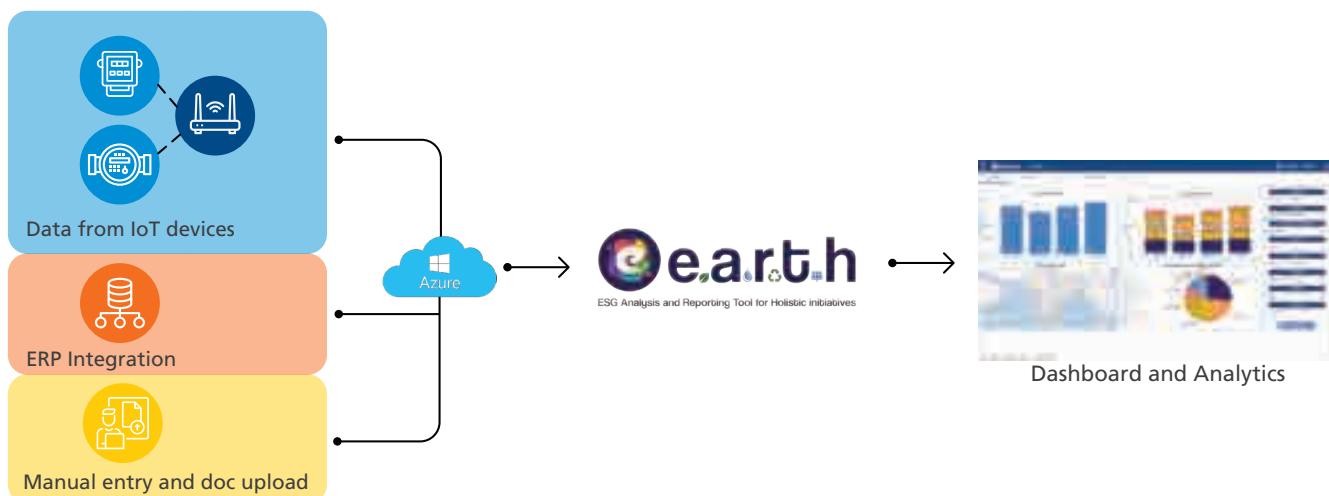
Through L&T Cognitive Services, the Company continues to integrate AI technologies into its core operations to maintain a competitive edge in the industry and aims to deploy over 100 innovative AI solutions tailored to various business use cases. L&TCS is strategically aimed at making AI adoption more accessible and scalable for businesses across the Company.

Transforming Sustainability Data Management

During the year, L&T partnered with its subsidiary company, L&T Technology Services Ltd, to develop a cloud-based platform to enhance sustainability data management. The platform has been aptly named as 'L&T-EARTH' (ESG Analysis and Reporting Tool for Holistic Initiatives).

Key features of the platform:

- Cloud-based platform with a modular and scalable architecture
- Designed to suit organisational hierarchy and enable data capture at the location level
- Data visualisation through dashboards and reports
- Data validation through logic checks and alerts to users
- Ability to ingest and integrate data from multiple sources, e.g. APIs, IoT and other sources



Data from ERP systems has been linked to L&T-EARTH to automate the data flow. In addition, L&T has also initiated automation of the data capture for water withdrawal and electricity consumption at various locations. This automation is done by installing flow meters and smart meters, and connected through IoT Gateways to L&T-EARTH.

L&T Business Excellence Model (LTBEM)

L&T Business Excellence Model (LTBEM) was launched in FY 2023-24, heralding a new era of organisational excellence and underlining the Company's commitment to continuous improvement and innovation. The development of LTBEM draws inspiration from three globally recognised frameworks: the EFQM (European Foundation for Quality Management) BE Model, the Malcolm Baldrige BE Model and the Deming Model.

This BE model has been developed through extensive collaborative efforts of the Quality Council of L&T and the Corporate HR - Learning & Development. Drawing insights from industry leaders like Tata and Godrej, and industry bodies like CII, the core team adapted the EFQM Business Excellence model, incorporating customisation and contextualisation for L&T's operations.

LTBEM emphasises key areas such as leadership, strategy, execution,

supplier and business partners management, people management to improve processes, and superior business results.

The journey towards launching LTBEM was marked by leadership awareness sessions, task force formation, and workshops across businesses, engaging over 450 senior leaders and task force members. The LTBEM assessment cycle was started in FY 2024-25 to baseline the Company's businesses, a significant milestone in the Business Excellence journey, with a framework for quantitatively assessing organisational performance and employing thorough and effective evaluation processes.

The assessment process, involving external assessors, was kicked off with an Assessor Meet conducted by Corporate HR jointly with the Quality Council and conducted from August to October 2024. 24 external and 44 internal assessors were involved in the assessment process to benchmark performance against industry leaders,

identify improvement areas, and implement effective strategies to drive sustainable growth and success.

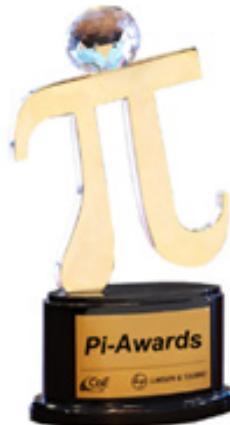
The assessment cycle culminated with the LTBEM Awards at the Quality Summit in November 2024 at Chennai where 14 L&T businesses were recognised.

As L&T embarks on this transformative journey towards operational excellence, the launch of LTBEM stands as a testament to the Company's unwavering commitment to quality, innovation and continuous improvement.



Pi-Awards

Pi-Awards, a pan-L&T innovation competition, witnessed a huge participation in its 8th edition. The name 'Pi-Awards' draws inspiration from the mathematical constant Pi, whose decimal representation never ends, thus symbolising ceaseless innovation at L&T. Pi-Awards are announced on International Pi-day, celebrated on March 14.



In line with one of the Strategic Objectives under LAKSHYA, ESG category was added this year and received more than 90 applications. Over 800 teams from across 188 locations participated in the Award, and 149 teams made it to the presentation round. The top 12 teams that made it to the finale competed across four categories: Product, Project, Service and ESG.

A special award, **Sustained Excellence** was instituted to recognise the businesses that have consistently driven an innovation culture. A compendium was also released in the finale function, featuring the top 12 innovation projects, to promote knowledge sharing and drive the implementation of such innovations.

Winning innovations from Pi Awards 2024

INNOVATION PROJECT	BUSINESS	CATEGORY
Transforming Disinfection: Enabling Multioxidant Technology as a Replacement for Chlorination	Water & Effluent Treatment	Product
Process Development & Execution of Tube to Tubesheet joints with first-time requirement of Pre-heating and 100% Radiography having stringent acceptance criteria for Ethylene Oxide Reactors	Heavy Engineering	Product
Design and Development of firing recoil simulator system for 40 MM L70 Armament to overcome the challenge of proof firing trials	Precision Engineering & Systems	Product
Ozonated Nanobubble Technology: Industrial-scale drinking water treatment technology to eliminate seasonal ammoniacal nitrogen	Water & Effluent Treatment	Project
DFS solution to accelerate execution of Deck Furnishing Items in HSR C4	Heavy Civil Infrastructure	Project
Implementation of Continuous Flight Auger (CFA) Piling for the first time in India	Geostructure	Project
AI-based Unified Command Control Centre for Unmanned Tubewell Automation with VSAT communication under Jal Jeevan Mission	Water & Effluent Treatment	Service
Integrated Engineering & Design Platform: Solar PV Engineering	Power Transmission & Distribution	Service
Mono Pile - New era of Indian deep foundation bridges for Mecon Roundabout Flyover Project (MFRP)	Transportation Infrastructure	Service
World's First Indigenous Inverter-based ESSC (Electro-Slag Strip Cladding) Welding Systems Invention	Heavy Engineering	ESG
Reduction in carbon footprint (CO_2 emission) by using Non-Fossil Fuel (Compressed Bio gas) for galvanising process	Power Transmission & Distribution	ESG

Indian Foundation for Quality Management (IFQM): CEO/CXO Delegation Visit to A. M. Naik Heavy Engineering Complex

The IFQM initiative's concept, 'Making Brand India Globally Respected,' evolved over a first meeting of like-minded industry captains from Tata Sons, TVS Motors, Sun Pharma, Tata Steel, Bharat Forge, Motherson Group, and Biocon in January 2022. L&T joined IFQM as a founding member, with Mr. S. N. Subrahmanyam chosen as a Board member and a member of the Governing Council.

Under the aegis of the IFQM initiative to learn from member organisations, the Company hosted CEOs/CXOs from different industries spanning Pharma, Life Sciences, Engineering, Power, Automotive, Consumer Products, etc., and executives from IFQM at A. M. Naik Heavy Engineering Complex, Hazira in February 2025.

Further, the Company's excellence in engineering, innovation and quality was showcased to the delegates, including the steps undertaken to upskill the workforce to meet the changing work requirements. Also, the Company is actively collaborating with the IFQM Academy and Centre of Excellence to enhance the quality culture in India, with a special focus on strengthening the MSME sector.



Innovation, Operational Excellence and Sustainable Growth

L&T continues to invest in advanced technologies and digital capabilities to enhance the efficiency, quality and resilience of its EPC and manufacturing operations. The Company strategically emphasises resource optimisation, productivity improvement and equipment utilisation to deliver high-quality outcomes at globally competitive costs.

Furthermore, the Company aims to strengthen its diversified order book and drive sustainable, long-term growth by fostering a culture of innovation and exploring new and emerging business segments. In parallel, a strong focus on risk mitigation and business continuity planning enables the Company to navigate dynamic market conditions effectively, ensuring value creation for all stakeholders.

SOCIAL AND RELATIONSHIP CAPITAL

L&T strongly emphasises building and nurturing long-term relationships grounded in mutual trust, respect and shared value. These relationships are pivotal to the Company's sustained growth and profitability. By proactively addressing customer needs, engaging in meaningful

collaborations with suppliers and promoting inclusive development within communities, L&T has cultivated robust social and relationship capital. This approach reflects the Company's commitment to responsible business practices and value creation for the stakeholders.



Key Highlights of FY 2024-25

18,99,250

CSR Beneficiaries

9.1Customer
Satisfaction Score

Strategy linkage¹



SDGs impacted



Material Topics

- Social Engagement and Impact
- Customer Experience and Satisfaction
- Sustainable Supply Chain
- Diversity, Inclusion and Equal Opportunity
- Human Rights and Labour Conditions
- Business Ethics
- Brand Management

¹ For details, refer to 'Business Model and Strategy' section

Building India's Social Infrastructure

L&T is committed to fostering inclusive growth through targeted interventions in water and sanitation, healthcare, education and skill development. The CSR & Sustainability Committee of the Board guides and reviews CSR initiatives, which are implemented by the teams through direct action, partnerships with NGOs, collaborations with government agencies, and engagement with on-site teams. L&T empowers underserved communities, bridges socio-economic disparities, and contributes to accelerated and equitable development.

Beneficiaries across Thrust Areas



Drivers of CSR Interventions



Corporate CSR Team

The team is dedicated to maximising social impact by designing, implementing and managing CSR programmes in alignment with Board-approved policies and strategic frameworks. The team ensures effective execution by collaborating with NGOs, community stakeholders and internal business units as required, thereby reinforcing L&T's commitment to responsible and impactful social engagement.



CSR Coordinator and Teams at the Campuses, Area Offices and Project Sites

Decentralised approach through dedicated teams located at campuses, area offices and project sites. These teams play a vital role in assessing local needs, identifying appropriate projects and NGO partners and overseeing the implementation and monitoring of CSR initiatives.



Accessible Healthcare through L&T Health Centres

L&T's multi-speciality health centres, staffed by trained medical professionals, provide accessible and affordable healthcare services to underprivileged communities. These centres help bridge health disparities and contribute to improving community well-being in the areas surrounding L&T operations.



Prayas Trust

Comprising female employees and spouses of L&T employees, dedicated to supporting vulnerable communities in proximity to L&T facilities. Through a range of initiatives focused on health, education and empowerment, the Trust amplifies the Company's social impact at the grassroots level.



L&T-eering

Employee volunteering and engagement through structured volunteering programme.



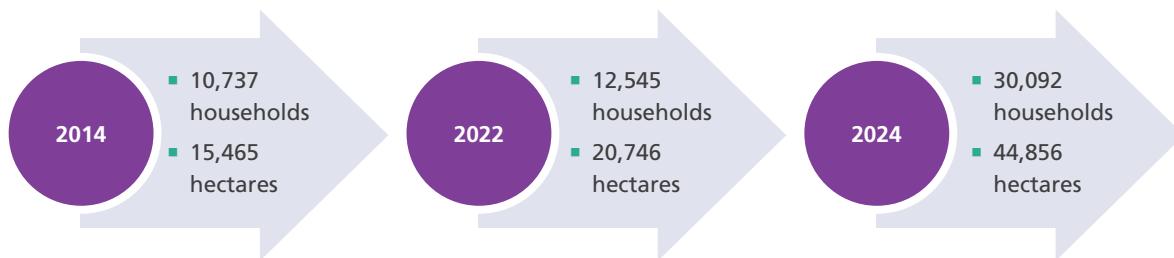
L&T Public Charitable Trust (LTPCT)

A non-profit entity within the L&T ecosystem that implements CSR activities, particularly in health, in line with the Company's CSR framework.



Unnati - Integrated Community Development Programme

Unnati is L&T's flagship integrated rural development initiative, which begins with watershed management - recognising water security as the foundation for improving quality of life. Once access to water is established, a phased approach is adopted over four years, encompassing health, sanitation, education and skill-building interventions. Since its inception in 2014, Unnati has positively impacted 30,092 households and treated 44,856 hectares of land across Rajasthan, Maharashtra, and Tamil Nadu. In 2022, the programme expanded further to reach additional underserved communities within these states, deepening its impact and promoting sustainable rural development. The growth of the project is depicted below:



Watershed Management

Water security remains a pressing challenge in India, particularly in rural areas dependent on natural resources. To address this, L&T has adopted an integrated watershed management approach that combines the revival of traditional water structures with the development of new infrastructure, ensuring year-round water availability.

Interventions are focused on ecologically sensitive areas such as Aurangabad, Jalna, and Ahmednagar (Maharashtra), Rajsamand (Rajasthan), and Coimbatore (Tamil Nadu), where declining groundwater levels and poor resource management affect agriculture and livelihoods. Communities actively plan and execute water and soil conservation measures, such as check dams, anicuts, gully plugs, contour trenches, and farm bunds. Indigenous sapling plantations help reduce erosion and retain soil moisture, improving crop yields and livestock rearing.

Further, Village Development Committees (VDCs) sustain these efforts by enforcing resource-use by-laws, collecting maintenance fees, and linking communities to government schemes and market opportunities. This ecosystem-based model has significantly enhanced water security, agricultural productivity, and household incomes - ensuring food availability and economic resilience throughout the year.



Paniyara anicut, Sewantri in Rajsamand district, Rajasthan before and after repair

Projects launched in FY 2024–25

The Unnati programme was launched in Pachapalayam, Coimbatore, to address critical challenges such as water scarcity, inadequate sanitation, and agricultural stress in Sultanpet and Kinathukadavu blocks. Designed as a 3.5-year initiative, it aims to benefit around 8,000 people through community-driven interventions focused on water resource management, hygiene and livelihood support.

In Devgaon and Nagzari clusters, the education component of Unnati was introduced to enhance children's access to quality reading material. This initiative promotes regular reading habits, strengthens literacy and numeracy skills, and improves academic performance.

Agriculture

In India, 86% of farmers operate on small or marginal landholdings, facing challenges like low productivity, limited inputs, rainfall dependency, and poor market access. L&T supports these farmers through an end-to-end approach across pre-production, production, and post-production stages.

The intervention begins with water availability and soil conservation, followed by soil testing and moisture retention to enable multi-seasonal cultivation. Farmers are grouped for seasonal crop planning and introduced to inter- and multi-cropping. Techniques like drip irrigation, mulching and organic input preparation help reduce costs, addresses issues of water scarcity and dependency on chemicals.

Best practices are shared through Farmer Field Schools and demonstration plots, best practices are shared and climate resilience is built. Meanwhile, kitchen gardens and horticulture orchards provide nutritional support and additional income. By strengthening every stage of the farming cycle, L&T helps farmers enhance productivity, reduce input costs and improve incomes - contributing to food security and long-term sustainability.



Shri Pratap Singh – Reviving Farming through Unnati

After 43 years in Mumbai, Shri Pratap Singh returned to his village, Thoria Ki Bhagal, in Rajsamand (Rajasthan) and resumed farming with support from Unnati programme. With year-round water availability, he began cultivating vegetables on his land. Through monthly Farmer Field School sessions, Singh adopted sustainable practices like raising seedlings in pro trays with cocopeat and compost - reducing seed wastage, conserving water and improving seedling quality. Guided by experts and state support, he grew diverse vegetables across the Rabi, Kharif, and Zaid seasons using natural farming methods such as Jeevamrit and biopesticides.

Beyond selling produce, Singh earned ₹ 76,000 by selling seedlings to fellow farmers. He is now sustainably managing his livelihood through farming and cattle rearing.

Ganga & Krishna Gite – From Struggle to Self-Reliance

Despite owning 10 acres, Ganga and Krishna Gite from Devgaon, Aurangabad, struggled to support their family. Krishna, battling alcoholism, was disengaged from farming, and their children often sought refuge elsewhere. The Unnati programme brought a turning point, introducing soil and water conservation measures like river deepening and dam repairs.

Inspired by the transformation in his village, Krishna became actively involved, eventually training as a Vasundhara Sevak. He led community mobilisation, ensured quality construction of water structures, and coordinated with the Gram Sabha and VDC. Ganga joined him on the farm, and together, they adopted improved farming practices. They started a silkworm cocoon unit, planted mulberry and citrus trees, and boosted their income from a meagre amount to nearly ₹ 3 lakh annually - with ₹ 6 lakh projected this year from cocoon sales.

"Unnati brought light into our lives when we were lost in darkness," says Ganga. Krishna adds, "I'm proud of who I've become - and now, my children are proud of me too."

Krishi Mitras and Vasundhara Sevaks: Bridging Knowledge and Impact

To ensure widespread outreach, L&T trains local volunteers such as Krishi Mitras or Vasundhara Sevaks, who serve as key connectors between farming communities and external institutions. They facilitate training, promote soil and water conservation, share best farming practices, and link farmers to government schemes and resources. They also organise community meetings and lead livelihood initiatives at the village level.


25,839
farming households since the inception through L&T's farming initiatives.

1,622
farmers trained through Farmer Field Schools supported by Krishi Mitras and Vasundhara Sevaks


Empowering Farmers through SHGs and FPOs

L&T supports farmers by promoting Self-Help Groups (SHGs) and Farmer Producer Organisations (FPOs), which provide access to affordable credit through revolving funds. These platforms offer training, connect farmers to government schemes and help them scale operations, access inputs at lower costs and secure better market prices. Beyond credit support, they empower farmers to manage pre- and post-production activities like optimising output with limited resources.

The Unnati project has 305 active SHGs and 52 farmer groups in its locations.

Empowering Women through Community Institutions

VDCs and SHGs serve distinct yet complementary roles - VDCs manage community resources, while SHGs promote financial inclusion and access to government schemes. Both platforms enable women to participate in development activities, enhance household income and build leadership skills through accounting, management and decision-making training. These opportunities have empowered women with greater agency, visibility and community recognition.

Livestock Development: A Resilient Livelihood Strategy

Livestock rearing is a critical livelihood source in L&T's project areas, offering a safety net during climate shocks. However, barriers like limited fodder, water, veterinary access and credit often hinder viability. L&T addresses these through improved pastureland management, regular health camps, timely vaccinations and training on modern livestock practices.

Farmers are linked to government schemes and supported by SHGs for credit and infrastructure needs, while VDCs manage grazing norms to prevent land degradation. These efforts have improved livestock health and productivity, diversified farmer incomes and strengthened resilience against climate uncertainties.

Promoting Safe Sanitation: Towards Open Defecation Free Villages

Open defecation poses serious health risks - especially to children - and hinders human development, gender equity and social justice. Tackling it requires not just infrastructure but also a cultural shift in attitudes, particularly around ritual purity and menstrual stigma.

With water access secured, L&T initiated sanitation interventions in 11 locations across Maharashtra, Rajasthan and Tamil Nadu. The approach focused on community engagement from the outset-through consultations on hygiene, involvement and ownership of local leaders and awareness of the health hazards of open defecation. Village-level Nigrani Samitis (surveillance committees) were formed to monitor sanitation practices, while students became Swachhta Doots (messengers of cleanliness), promoting hygiene within their communities. Youth were trained in masonry, gaining livelihood skills and supporting sustained toilet construction and maintenance.

These efforts aim to make villages ODF and foster long-term behavioural change for safe, inclusive sanitation.

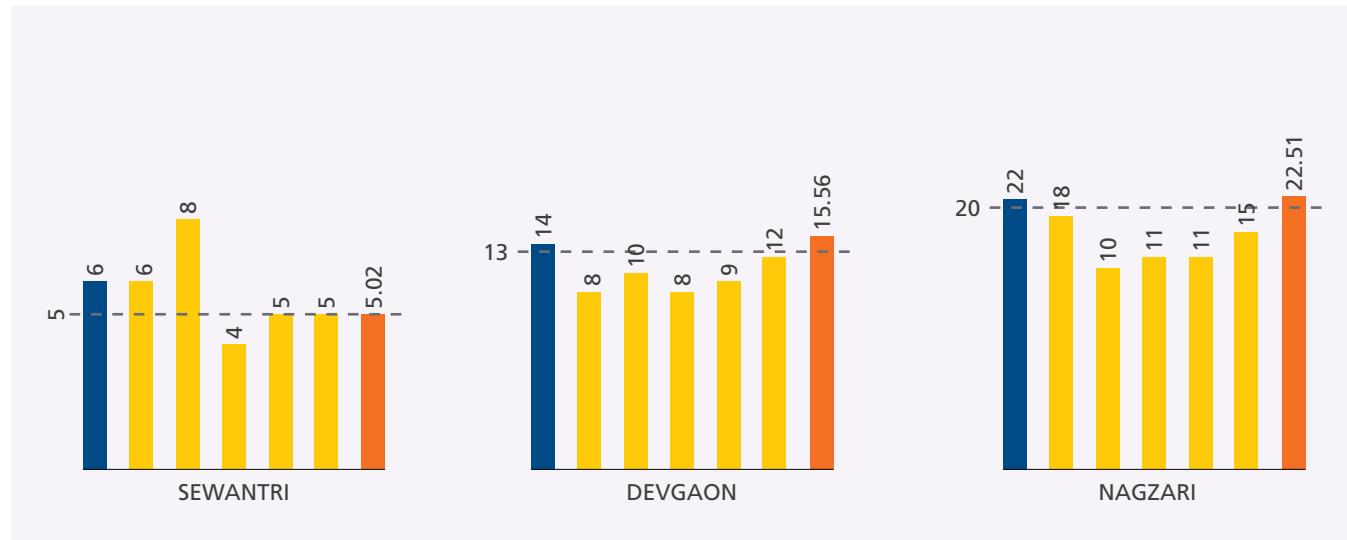
To date, 4,456 sanitation units have been built through the project, and 2,719 households have followed suit. 41 villages across the three states are now Open Defecation Free (ODF).



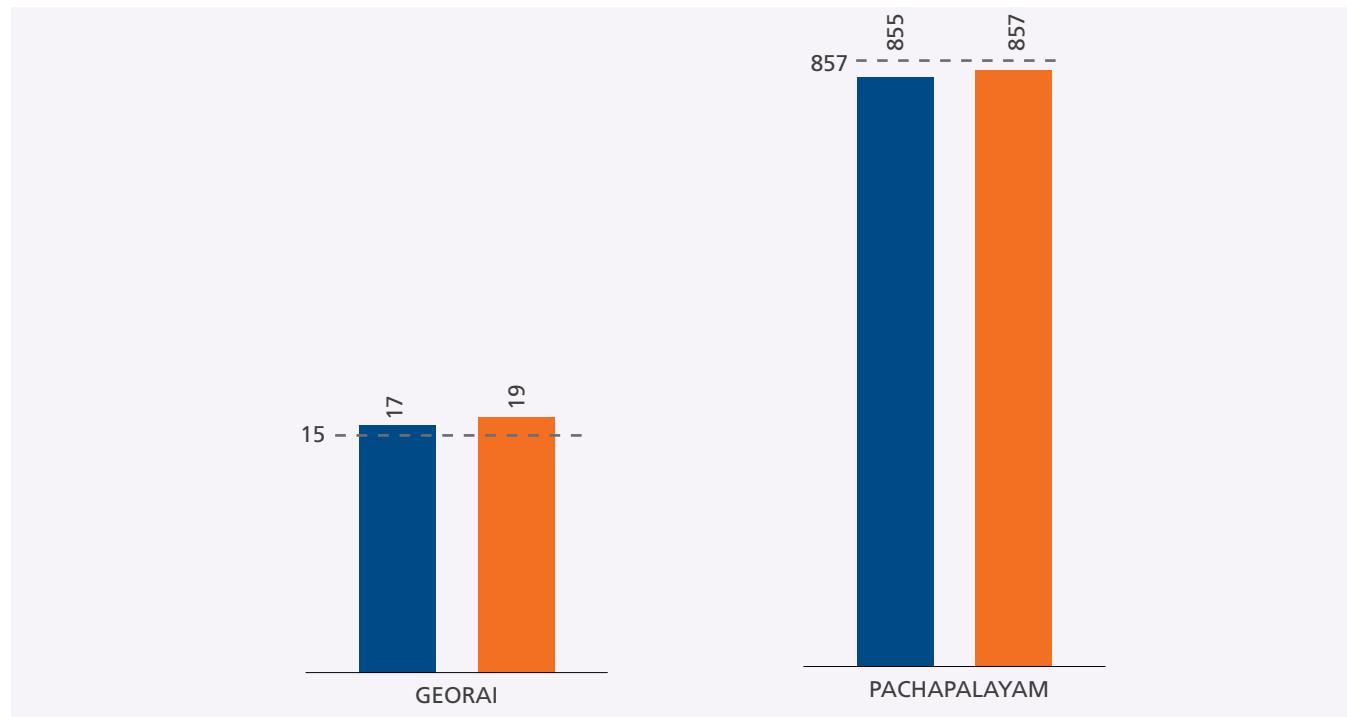
School sanitation unit constructed at Swaraj Secondary School in Brahmangaon Village, Devgaon, Maharashtra

Depth of Water from Land Surface (metre)

■ Baseline ■ FY2019-20 ■ FY2020-21 ■ FY2021-22 ■ FY2022-23 ■ FY2023-24 ■ FY2024-25 - - Target

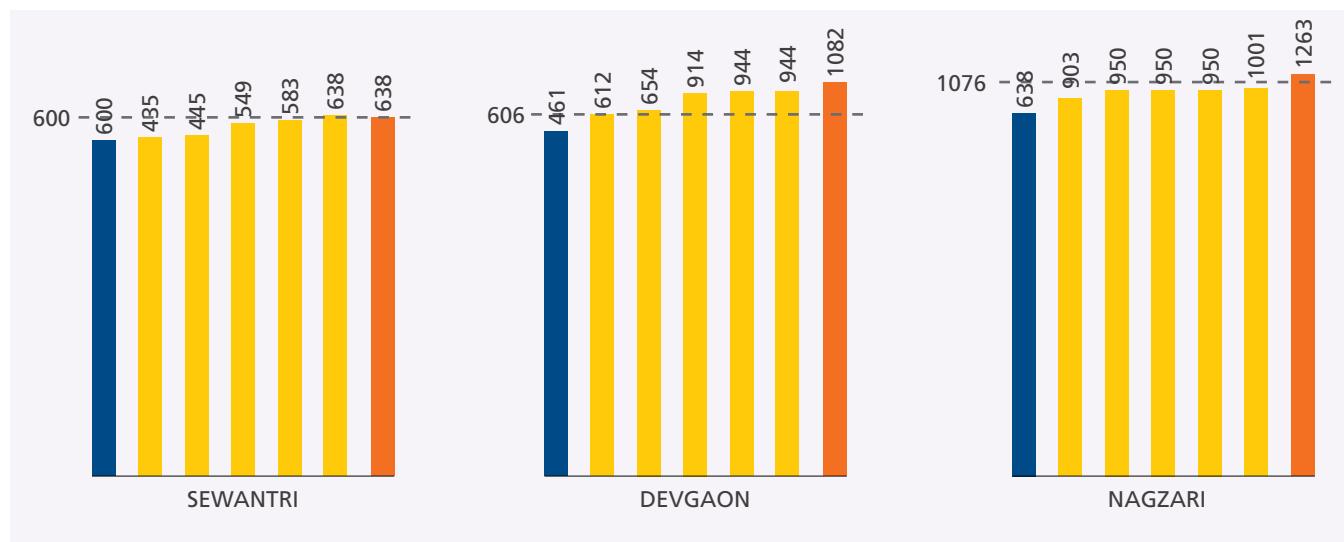


Georai in Maharashtra and Pachapalayam in Tamil Nadu are being newly reported from FY 2024-25. Unnati has been in Devgaon and Nagzari in Maharashtra and Sewantri in Rajasthan since FY 2019-20

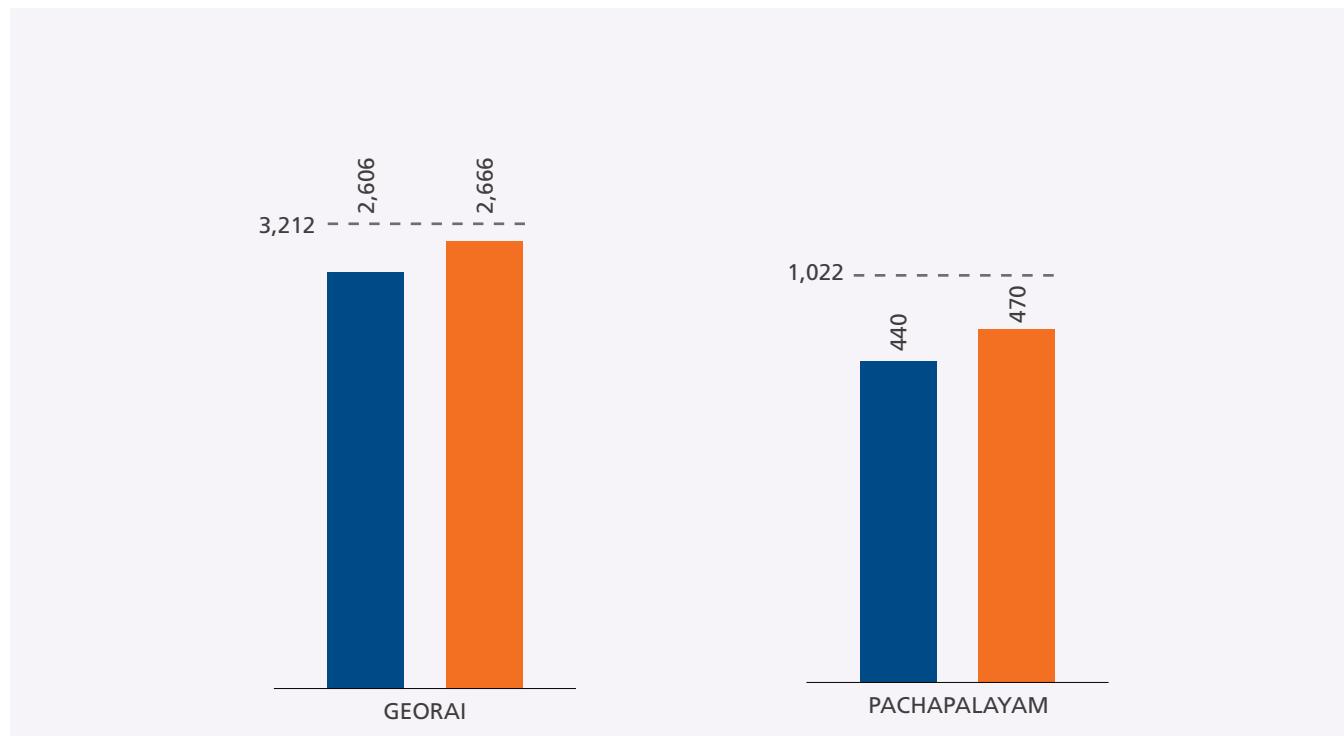


Total area covered under irrigation in FY 24-25 (hectares)

■ Baseline ■ FY2019-20 ■ FY2020-21 ■ FY2021-22 ■ FY2022-23 ■ FY2023-24 ■ FY2024-25 -- Target



Georai in Maharashtra and Pachapalayam in Tamil Nadu are being newly reported from FY 2024-25. Unnati has been in Devgaon and Nagzari in Maharashtra and Sewantri in Rajasthan since FY 2019-20





Health

Rural India faces intertwined challenges of food insecurity, cultural norms and limited public healthcare access. The Unnati programme focuses on food-insecure households with restricted access to diverse diets. Deep-rooted gender norms often prevent women from prioritising their health - many eat last, avoid seeking medical help, and primarily access healthcare for other family members. These factors contribute to maternal malnutrition, underweight births and childhood stunting. Unnati aims to break this cycle by promoting nutritional awareness, healthcare access, and behavioural change.



L&T addresses health holistically by improving food security through agriculture, horticulture, livestock, and allied livelihoods - enhancing household nutrition. Unnati's health efforts aim to improve dietary practices, raise awareness of government schemes, and strengthen access to public healthcare. The programme strengthens engagement between women and frontline workers like Accredited Social Health Activist (ASHA) and Auxiliary Nurse Midwife (ANM) by training women's groups and community volunteers to navigate cultural barriers. It also fosters dialogue with key stakeholders - Health Departments, Anganwadis, Panchayats and Block officials - to address systemic and institutional challenges.

Community volunteers, supported by VDCs and SHGs, lead health initiatives focusing on dietary improvements, kitchen gardening, hygiene practices, and awareness of Anganwadis. These efforts have resulted in increased health-seeking behaviour and greater demand for quality healthcare services. Additionally, communities have been empowered to advocate for supply-side improvements and collaborate with local authorities to identify and implement sustainable solutions.



Nikhil's Recovery from Malnutrition

One-year-old Nikhil from Koyla village showed signs of severe malnutrition during a home visit by Bal Sakhi Sohna Devi. Weighing only 5.7 kg and measuring 68 cm, Nikhil was enrolled in a Community-Based Management of Acute Malnutrition (CMAM) camp, where medical staff recommended admission to the Malnutrition Treatment Centre (MTC) for specialised care. Despite initial hesitation, Sohna Devi reassured the family and with continued support, they agreed to take Nikhil to the MTC in Kankroli for 15 days of treatment. Afterwards, Nikhil was re-enrolled in CMAM camp, where he received therapeutic food, medicines along with his mother also receiving nutrition training.

Today, Nikhil has made a remarkable recovery, having a healthy weight of 7.3 kg, and is thriving - thanks to the dedicated support of Sohna Devi and his mother.



Challenges and Solutions in Rural Education

India has made progress in education, but challenges like high dropout rates (26% before 5th grade) and poor learning outcomes persist, particularly in government schools. Rural areas face issues such as inadequate infrastructure, lack of resources, shortage of qualified teachers, and language barriers, with gender disparities compounding the problem. Challenges remain, as many second-grade students struggle with reading and older students face difficulties in basic math. Parental involvement is limited, with many parents not having completed education beyond the 10th grade.

To improve education, efforts focus on strengthening early childhood education in Anganwadis, providing teacher training, Teaching and Learning Materials (TLMs), and supplementary literacy and numeracy classes. Parents are trained to support their children's learning, and mobile libraries and Learning Resource Centres (LRCs) in areas like Rajasthan encourage reading and provide resources. Managed by community volunteers, these centres are handed over to the community for long-term sustainability.

Empowering Mothers through the ELM at Home Initiative

The Emergent Literacy and Mathematics (ELM) at Home initiative, part of the Saajhi Shiksha project, was introduced in Kookra and Lasadiya Gram Panchayats, Rajasthan, to empower mothers in teaching 3-6-year-old children. Sixty-five mentor mothers were trained in pedagogy, child development and using Teaching and Learning Materials (TLM). Regular meetings ensured continuous learning and engagement, enabling these mothers to support other parents and children.

Hemlata, a 25-year-old mother from Akharia, Kookra, became a mentor mother when her daughter, Navya, was 3. Using toys and available resources, Hemlata taught Navya basic language and mathematics. Noticing that many local children couldn't attend Anganwadi due to distance, Hemlata began inviting them to her home for lessons. Despite initial resistance, she persisted, explaining the benefits of the ELM initiative and organising parent orientations.

Her efforts gradually built trust, and Hemlata's use of play-based learning methods increased engagement. Over time, the community became more involved, creating TLMs and supporting children's education. One villager said, "Hemlata teaches our children very well and imparts good values."

Hemlata's journey transformed from teaching her own children to supporting the education of an entire community, earning her respect and a sense of belonging.



A rapid assessment of 12 villages in the Devgaon and Nagzari clusters revealed significant gaps in children's reading and mathematics, particularly among children from Anganwadi to grades II and III-VIII. The assessment found a lack of access to essential reading materials, such as books, magazines, and newspapers, both at home and in schools, which hindered children's reading habits and academic progress. To address these gaps, an intervention was designed to improve educational outcomes for children aged 6-14. The intervention includes library programme, parent workshops and learning support classes focused on enhancing reading and mathematics, aiming for long-term academic growth.

Coverage under Unnati in five Locations – Devgaon, Nagzari, Georai, Sewantri and Pachapalayam

	FY 2023-24	FY 2024-25
Households covered under ICDP		
Households covered under ICDP	8,750	
Area of land under the project area (hectares)	22,248	
People covered	42,308	
Water Availability		
Water harvested (lakh litres)	51,727	53,391
Increase in water table level (metres - average)	12.9	14.6
Percentage of households with drinking water	98%	84%
Agriculture		
No. of crop demonstrations	338	569
Additional area protected from direct run-off (hectares)	2,620	8411
Increase in area under cultivation/irrigation	56%	43%
Fallow land converted to agricultural land (hectares)	218	344
Area under horticulture (hectares)	521^	722
Health and Nutrition		
No. of kitchen gardens	180	685
No. of children in Balwadi-s supported	195*^	1344
Livestock Livelihood		
No. of veterinary camps	14*^	24
Pastureland area under protection (hectares)	22*	28
Institution Building		
Village Development Committees	66	44
No. of active SHGs	237	305
SHG Savings Fund created for inter-loaning (in ₹ lakh)	126	192
No. of farmer groups formed	8#^	18
Capacity Building		
No. of farmers who attended Farm-Field Training	1,643	1,622

* In ICDP Sewantri Location

In ICDP Devgaon and Nagzari Location

^ Interventions till September 2023

~ Last year, three locations-Devgaon, Nagzari and Sewantri were covered under ICDP

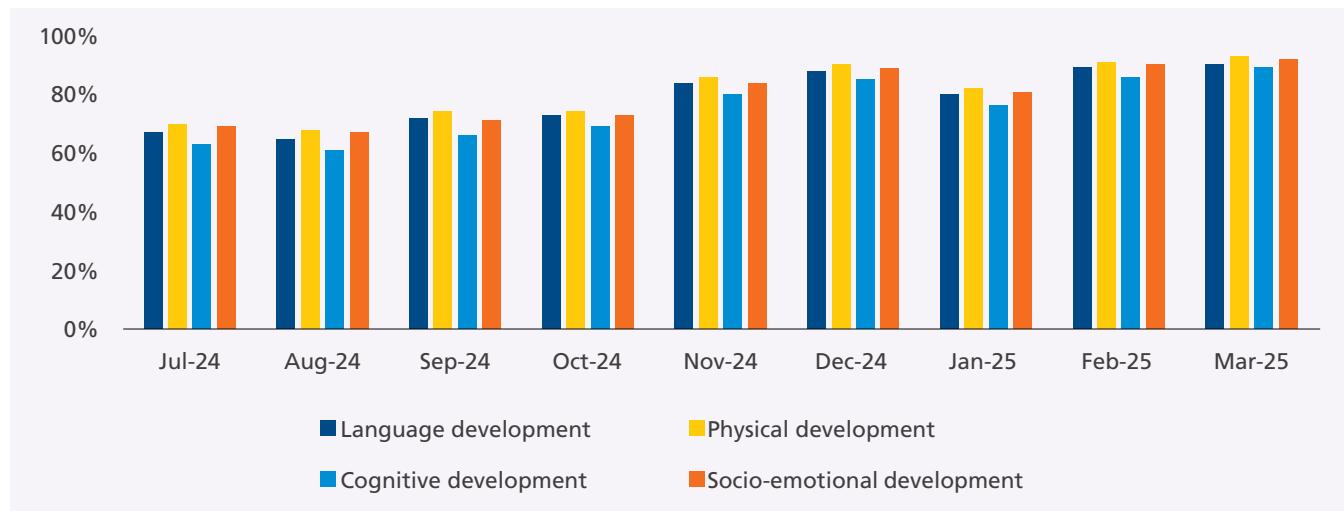
Education

L&T's educational initiatives aim to drive social progress and inclusive development in India's education system. These efforts include improving infrastructure in under-resourced rural, peri-urban and urban schools, establishing community learning centres, enhancing teacher skills and promoting community monitoring systems. Project Jyoti, the STEM education programme bridges the urban-rural divide by introducing Science and Mathematics to students in resource-limited government schools, sparking interest in STEM fields.

India's education system faces challenges like inadequate infrastructure, limited resources, varying learning levels, and disparities in teaching quality. Integrating STEM pedagogy with existing science and mathematics curricula requires comprehensive teacher training to engage students in STEM effectively.



Average Score in Classroom Learning Evaluation (CLE)



CLE is a Classroom Learning Evaluation tool that measures children's language, physical, cognitive and socio-emotional development.

Early Childhood Support

L&T's preschool initiative in Mumbai's low-income areas creates a nurturing environment for children's development. Operating for 10 months in 87 community preschools (Balwadis), the programme serves 4,302 children, preparing them for primary school. It focuses on emotional, cognitive, language, and sensory-motor skill development.

The initiative also empowers local women by training them to become Balwadi teachers and providing support and resources. The programme includes teacher training, learning assessments, and home visits, boosting attendance and parental involvement while ensuring a joyful and secure learning environment. As a result, children's cognitive, emotional, language, and motor skills improved by an average of 43%. The programme aims to support vulnerable children's holistic development, helping them realise their potential and contribute to society.

Mamata Chaudhary and Hansika's Journey

Mamata Chaudhary, a 33-year-old mother of two, is determined to provide her children with the education she could not afford. Living in a one-room home with her husband, an office boy, Mamata faces financial challenges. While searching for a preschool for her 3-year-old daughter, Hansika, she discovered a free Balwadi run within a local temple in Andheri, Mumbai.

Many children in their low-income community lacked access to quality early education due to the high cost of private preschools. At first, Hansika was reserved and unresponsive, but she thrived at the Balwadi, where play-based learning methods like rhymes and imaginative play sparked her interest. She can now count and recognise alphabets, colours and animals.

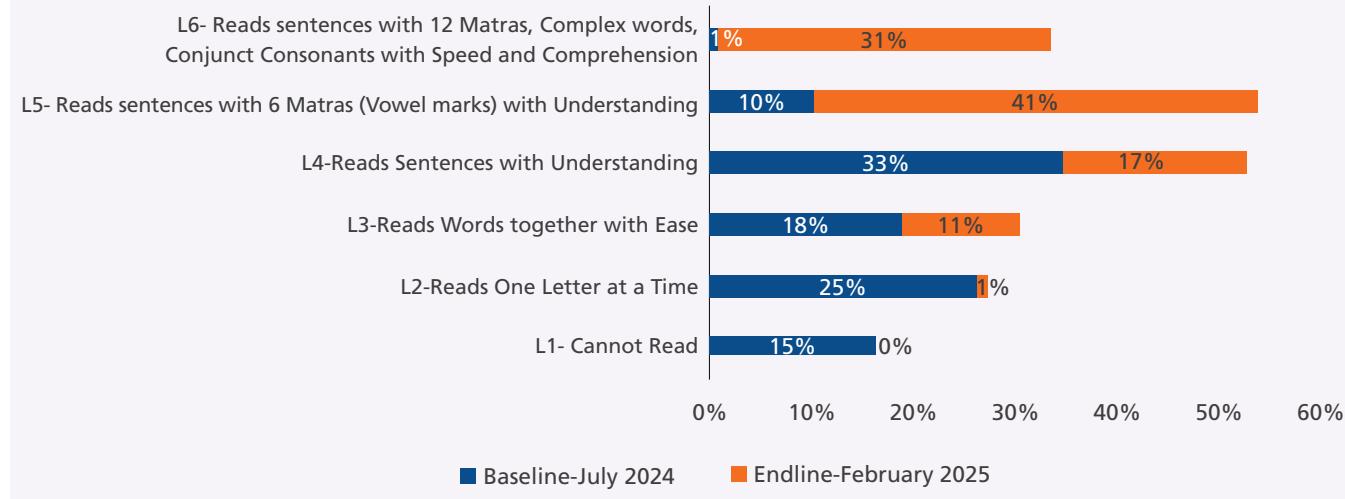
The Balwadi also supports parents through workshops on child development, mothers' groups and WhatsApp communication, empowering parents like Mamata to engage more in their children's learning. Mamata adopted techniques like storytelling to support Hansika's growth further. The combination of quality education at the Balwadi and active parental involvement has provided Hansika with a solid foundation for lifelong learning. Mamata is thrilled with her daughter's progress.



Learning Enhancement through the School Partnership Programme

L&T's School Partnership Programme in nine Municipal Primary Schools in Powai, Mumbai, focuses on enhancing foundational literacy and numeracy (FLN). The programme improves learning outcomes through interactive methods by shifting from teacher-led to learner-led teaching. It reached 2,965 children and introduced initiatives like Reading Promotion and Home Lending to boost linguistic skills. As a result, 19% of children showed improvement in literacy, 44% in numeracy, 46% in reading levels, and 27% in language development through the library initiative.

Reading Promotion Programme Assessment



Jyoti – STEM Education Initiative

Project Jyoti, the STEM programme aims to bridge educational disparities in grades 6-8 in government schools across Gujarat, Tamil Nadu, and Maharashtra by enhancing STEM education. The initiative provides digital infrastructure, teacher training, hands-on models, and activity-based learning (ABL) to engage students and spark curiosity in scientific concepts. Teachers are trained to implement ABL and create Edu-Reels (short curriculum-aligned videos). The programme also introduces robotics and space kits, enriching students' STEM knowledge and skills. Key components of the programme include:

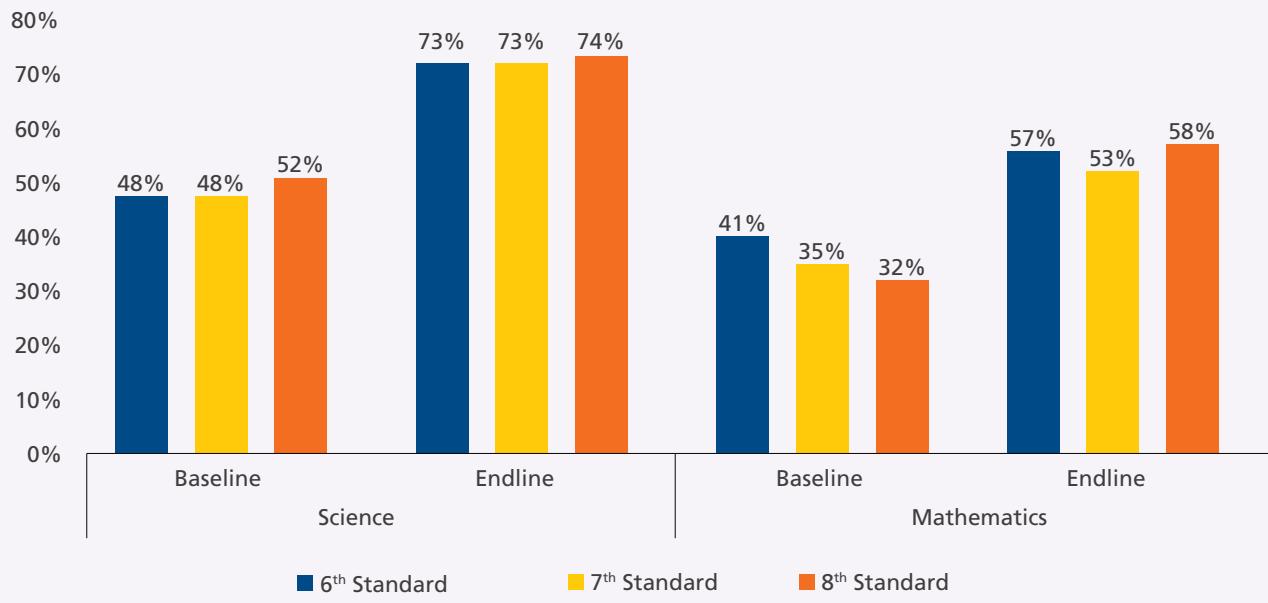
- Teacher Training: Teachers receive extensive training in STEM pedagogy and ABL strategies, including sessions at the District Institute of Education and Training (DIET). During the year, 200 teachers were trained and 68 students created 24 models.
- Teacher Innovation Contest: Teachers innovate STEM or entrepreneurial prototypes to solve local challenges, fostering a culture of innovation. Around 208 teachers from 123 schools participated in creating STEM models.
- ABL Sessions using STEM TLM help students grasp science and mathematics more effectively.

- Young students at Entrepreneurs Bootcamp present entrepreneurial solutions to real-world problems, developing their critical thinking and innovative mindset.
- National, state and district-level science fairs boost students' confidence and recognition in STEM fields after completing experiments and projects.
- STEM Innovation and Learning Centres (SILC) integrate all four core STEM disciplines and support students' advancement.

The programme has led to 80% of teachers finding it easier to teach concepts, 95% of students showing better conceptual clarity, and 85% of parents noticing increased interest in STEM. Additionally, 83% of students improved their grades in mathematics and science, and 89% expressed a strong interest in science.

"The STEM lab at DIET is a remarkable initiative that ignites curiosity and a love for science. I see it growing into a hub for innovation and research, equipping students to excel and become future innovators."

– Mr. Lakshminarasimhan, Principal, DIET

Subject-Wise Average Percentage**Sparking Scientific Curiosity Through Jyoti STEM Labs**

Kanishka, a student at Government High School in Coimbatore, once found science classes unengaging due to the heavily theoretical approach. Her perspective shifted after joining the Jyoti STEM lab and participating in ABL sessions. With access to interactive tools and the Life App - a mobile platform that connects STEM concepts to real-life applications, Kanishka's interest in science grew. She even created a simple water purification system that her mother now uses at home.

Encouraged by her teacher and Jyoti facilitators, Kanishka began building hands-on models such as water rockets and electric circuits. Her involvement in STEM clubs over the year helped her further explore and apply scientific principles through various projects.



Young Entrepreneurs Finale 2025: Nurturing Innovation for Social Impact

Held on February 28 and March 1 as part of the Jyoti initiative, the Young Entrepreneurs Finale 2025 brought together budding innovators from 75 schools across Mumbai and Talegaon. 450 students showcased community-driven solutions, with 149 finalists presenting 75 unique ideas aimed at tackling real-world challenges. The top three ideas were recognised at the event for their creativity and potential impact. The event was the culmination of an intensive 18-hour "Thinking Coaches" workshop, where students were introduced to Design Thinking and Future Technologies, helping them frame and solve local problems through innovation. In parallel, 150 teachers received training to guide and mentor future cohorts of young changemakers.

Adding a strong industry-school connection, 10 L&T-eers mentored students from 8 schools, fostering a spirit of creativity, collaboration, and entrepreneurship. In total, 10,000 students and 150 educators engaged with the programme - demonstrating L&T's commitment to empowering the next generation of innovators and leaders.

Community Learning Centres: Strengthening Foundational Literacy and Numeracy

L&T's Community Learning Centres provide critical remedial support to primary school students aged 7 to 12, with the goal of bridging foundational literacy and numeracy (FLN) gaps. Located within government schools or public spaces, these centres function after school hours in partnership with local Municipal Corporations, ensuring access to academic support within students' communities.

Children lagging in grade-level competencies are grouped into small, focused cohorts and attend two-hour daily sessions facilitated by qualified teachers or trained volunteers. These sessions offer personalised attention in language and mathematics, creating a safe and supportive environment that boosts confidence and academic growth.

Currently, L&T operates 41 centres in Mumbai, reaching 2,305 children, and 10 centres in Chennai, supporting 728 children. The programme has demonstrated measurable improvement in learning levels and has garnered strong parental appreciation, validating its role in promoting inclusive, quality education for all.

Suraj's Journey from Struggling Student to Confident Learner

Suraj, a 5th standard student, lived with the burden of economic hardship, limited academic support, and a lack of access to quality education. Unable to read simple sentences or perform basic mathematical operations, Suraj also struggled with low self-esteem and hesitated to ask questions in class. His learning experience was passive, devoid of practical or interactive methods, leaving subjects like language and mathematics intimidating and inaccessible.

A turning point came during a home visit when his family learned about L&T's Community Learning Centre programme and enrolled him. The programme introduced hands-on activities, interactive teaching techniques, and real-life applications



of academic concepts. Suraj began to see relevance in his studies, which sparked his interest. Within four months, his communication skills improved, and he began asking questions and expressing himself more freely. Over the next two years, Suraj made significant academic gains in mathematics and language. He also developed leadership qualities by participating in extracurricular

activities such as public speaking and dance.

Today, Suraj is confident, curious and self-motivated, embodying the transformative impact of targeted educational interventions that go beyond textbooks. His story is a testament to the power of holistic, inclusive learning environments in unlocking a child's potential.

Anjali Nursing Tadale – From Academic Struggles to Aspiring Nurse

Anjali grew up in a financially constrained household, supported by her mother who works as a domestic help. Despite her determination, she faced significant academic hurdles, especially in mathematics and language, due to a lack of quality educational support and the limitations of rote-based classroom teaching. These barriers left her discouraged and disengaged from her studies.

Her journey took a positive turn when she joined L&T's Community Learning Centre. In just three months, Anjali began to thrive in the centre's interactive, concept-focused learning environment. She gained confidence, started asking questions and actively participated in class discussions. The programme's learner-centric methods helped her grasp challenging concepts and develop a deeper understanding of the subjects she once struggled with.

Beyond academics, Anjali discovered her public speaking and singing strengths and took on leadership roles within the learning centre. She completed her 12th grade in science with consistent support and is now pursuing a degree in General Nursing and Midwifery while working part-time to support her ambitions.

Reflecting on her experience, Anjali shares, "The interactive teaching methods made learning exciting and practical."

Her story is a powerful example of how equitable education and supportive ecosystems can change a student's life's trajectory.



Self-Learning Classes

As part of the broader education programme, self-learning groups have been established for children in Grades 6 to 8, encouraging peer collaboration and independent study. On average, 131 children participate monthly, forming groups of five that meet at least once a week. These sessions run for 23 days each month and involve working through instructional materials and practice exercises in a collaborative setting.

This model supports academic learning and fosters teamwork, critical thinking and self-discipline among children. A notable ripple effect of the intervention is the increased involvement of the local elderly population, who now offer their homes as safe, quiet learning spaces. Many of them also take an active interest in the children's progress by monitoring sessions and providing encouragement.



Supporting Schools through Infrastructure Development

L&T plays a pivotal role in strengthening infrastructure and learning environments in under-resourced government schools across rural, tribal, and underserved urban areas. The support includes:

- Construction and renovation of critical infrastructure such as classrooms, libraries, laboratories, compound walls, toilet facilities, and playgrounds
- Supply and installation of classroom furniture, science and computer lab equipment, library resources, and digital classroom solutions
- Upgradation of facilities through building repairs, solar power implementation, and the installation of clean drinking water stations

To ensure equitable access to education, L&T also provides essential learning and recreational material - including uniforms, textbooks, notebooks and sports equipment - to students from low-income backgrounds in government and unaided schools.

These efforts are aimed at creating a safe, inclusive and stimulating educational environment, enabling students to learn, grow and thrive.

Transforming a Tribal School in Nigade Village, Pune

The Zilla Parishad School in Nigade village, Pune, caters to a tribal community facing economic hardship and limited access to quality education. The school was plagued by overcrowded classrooms, inadequate infrastructure and erratic power supply, which hindered learning and student well-being. Recognising these challenges, L&T intervened with comprehensive infrastructure and resource support, including:

- Construction of a safety wall, kitchen, and modern classrooms
- Upgradation of toilet facilities, installation of digital learning tools and a PA system
- Provision of a water filtration unit for safe drinking water
- Installation of a 5kW solar power system to ensure uninterrupted electricity

The transformation had a tangible impact on the school community. As one parent noted, "*My daughter now studies in a school that feels like a private one.*" This sentiment reflects broader outcomes such as increased enrolment, greater parental involvement, healthier, more engaged and more confident children.

The school principal shared, "*This transformation has uplifted both the school and our spirits. L&T's support will be remembered for years.*"

Sustainable Water Access in Chak Dhani, Nagaur, Rajasthan

Chak Dhani, a remote village in the Thar Desert, faces extreme summer temperatures of up to 50°C and a severe water crisis due to depleting groundwater. The Government Senior Secondary School, serving 230 students, struggled with acute water shortages affecting hygiene and learning conditions.

To address this, L&T implemented an integrated rainwater harvesting (RWH) system that captures monsoon rainfall and ensures year-round water availability. The system has already conserved 181 kilolitres of water, providing a sustainable solution to the school's water challenges and setting a model for water conservation in arid regions.



Before infrastructure development in Zilla Parishad School,
Nigade Village, Pune



After infrastructure development



Desks and Benches donated at Nagarnar High School,
Chhattisgarh



Toilet Block constructed at Jagannath Government High School,
Jagatsinghpur, Odisha

The education programme partners with school principals to ensure active participation from teachers and students, fostering pride and encouraging knowledge-sharing across schools. Teachers and students also visit other schools for exposure to project activities. The Jyoti programme promotes STEM education through competitions and exchanges.

The programme strengthens School Management Committees (SMCs) by equipping them to address learning outcomes and sustain initiatives beyond the project. Parents are educated on their role in education, becoming active participants in SMCs and monitoring progress. Government collaborations, like teacher training with DIET under the Jyoti programme, ensure the involvement of government stakeholders, sharing best practices and ensuring long-term impact.

Interventions	Schools	Students
Jyoti	314	52,924
Digitisation	44	11,259
Preschool Interventions	87	4,302
Interventions to Enhance Learning and Life Skills	187	58,081
Community Learning Initiative-Centres and Schools	160	12,828
Infrastructure Improvement	252	89,431



Health

Since 1968, L&T has been committed to improving community health by providing accessible, affordable healthcare to disadvantaged populations. The Indian healthcare system faces challenges such as rising costs, a shortage of trained medical personnel, rural-urban disparities, and inadequate public health funding. Many lack health insurance and awareness of key health behaviours.

To address these issues, L&T operates 10 Community Health Centres (CHCs) and 12 Mobile Health Units (MHUs) across Gujarat, Maharashtra, and Tamil Nadu, providing primary care, speciality services, and outreach programmes. These

include health education, medical camps, and support for vulnerable groups like children, pregnant women, the elderly, and differently abled individuals.

Furthermore, L&T integrates services with National Health Programmes, including RMNCH+A, family planning and disease prevention for leprosy, tuberculosis and HIV. The centres manage non-communicable diseases, mental health, early cancer detection and therapeutic care for children with disabilities. L&T also leverages government schemes to reduce patient expenses, offering financial support and subsidised medications. Through these initiatives, L&T enhances healthcare accessibility and equity for vulnerable communities across India.




Cancer Care Services

L&T is dedicated to promoting cancer awareness, early diagnosis, and preventive education through targeted interventions for both men and women. The goal is to increase awareness that cancer is treatable and encourage regular screening for early detection. In the past year, 1,417 individuals participated in these camps. Additionally, L&T supports a shelter programme providing temporary housing for caregivers and children undergoing cancer treatment in Mumbai. Over the year, 10 children and 20 caregivers received shelter, and 55 counselling and motivational sessions were held to support the children.

Raginiben Bakkariya's Journey to Recovery

Raginiben Bakkariya, a 36-year-old woman from Udhana village, Surat, was diagnosed with kidney failure during childbirth. Despite a modest income and the added responsibility of supporting her family, Raginiben was advised to begin dialysis without delay.

In January 2024, she began dialysis at the L&T Health and Dialysis Centre (LTHDC) in Surat, which offers free dialysis services under the Pradhan Mantri National Dialysis Programme. The centre, operational since 2015, provides multispecialty OPD services, diagnostics, and 11 dialysis beds. Initially, Raginiben experienced complications such as vertigo, headaches and vomiting during dialysis. With support from her family, who took care of her children, she continued her sessions twice a week. Over time, the LTHDC team closely monitored her progress and saw a significant reduction in symptoms and improvement in health.

Raginiben is now registered for a kidney transplant and remains hopeful for a successful outcome. She expresses deep gratitude for the care and support at LTHDC, which has helped her regain her health and strength.



Mr. Sivaraja's Health Journey

Mr. Sivaraja, a 73-year-old farmer from Murugapatti village, Coimbatore was diagnosed by the MUH team of health risk as he was showing signs of high blood pressure. With limited awareness of the risks and access to healthcare, urgent intervention was needed. The MUH doctor recommended lifestyle changes and prescribed consistent medication. Mr. Sivaraja was referred to the Primary Health Centre in Arisipalayam for further treatment, and his case was shared with the Makkalai Thedi Maruthuvam team. A month later, a follow-up showed that Mr. Sivaraja adhered to the treatment plan and he now receives monthly medication at his doorstep through the Makkalai Thedi Maruthuvam initiative (flagship programme of the Government of Tamil Nadu offering a comprehensive set of Home-based health care services).

This case highlights the significance of collaborative health programmes like MUH and Makkalai Thedi Maruthuvam in improving healthcare access in rural areas and enhancing the quality of life for individuals like Mr. Sivaraja.

Skill Development

L&T has been leading efforts to address India's skill development challenges, particularly in the construction sector, by bridging the gap between the high demand for skilled labour and the limited employability of youth. In 1995, L&T established its Construction Skills Training Institutes (CSTIs) to equip underprivileged rural youth with industry-relevant skills, thereby enhancing their employability and contributing to national infrastructure growth.

L&T operates CSTIs across nine locations, namely; Kancheepuram, Tamil Nadu; Panvel, Maharashtra; Pilkhwa, Delhi; Jadcherla, Telangana; Cuttack, Odisha; Attibelle, Karnataka; Chacharwadi, Gujarat; Hyderabad, Telangana; and Serampore, West Bengal. These institutes offer training in over 14 construction trades, such as welding, scaffolding, masonry, and electrical work, with a focus on practical, hands-on training (80% of the courses). The curriculum aligns with National Skills Qualification Framework (NSQF) standards and trainees who successfully complete the programme receive certification from the National Council for Vocational Training (NCVT). In addition to technical training, L&T incorporates soft skills, digital literacy and safety protocols into its courses, ensuring that trainees are prepared for the evolving needs of the workforce.



First batch of women trainees from Skill Hub, Mayurbhanj, Odisha deployed for their job postings

L&T is dedicated to promoting gender inclusivity within the construction industry. Through its targeted initiatives, the CSTIs have successfully trained and placed women in various construction roles, breaking traditional gender barriers and empowering women to pursue careers in this sector.

L&T's CSTIs trained 12,594 candidates, achieving a 72% placement rate with an average monthly salary of ₹ 17,800.

Multi-Skill Training Centre trained 121 candidates, and through other vocational courses trained 2,466 individuals.

In partnership with the Ministry of Skill Development and Entrepreneurship and the National Skill Development Corporation (NSDC), L&T's Skill Trainers Academy (STA) in Mumbai trains high-calibre trainers who effectively impart skills to youth, ensuring a continuous supply of qualified professionals to meet the demands of the industry. Through these initiatives, L&T not only enhances the employability of youth but also significantly contributes to the development of India's infrastructure and economy.

Story of Laxmi Murmu, who defied societal norms

Laxmi Murmu, a 20-year-old from the Santhali community in Mayurbhanj, Odisha, faced significant challenges after losing both her parents at a young age and was raised by her grandparents, who were daily wage labourers. Determined to create a better future, she completed her intermediate studies and enrolled in a plumbing trade course at L&T Skill Hub in Mayurbhanj. Additionally, she pursued a Microsoft Digital Literacy course for Data Entry Operators.

After completing her training, Laxmi secured a job as a data operator and office assistant at L&T HRRL-DFCU site in Barmer, Rajasthan, earning approximately ₹ 20,000 per month. This job marked a turning point in her life. Laxmi used her income to build a house for her family and is now funding her siblings' education.

Her journey has not only transformed her own life but has also inspired others in her community to seek vocational training. Laxmi aspires to become a computer data operator trainer to empower other young tribal girls facing similar challenges.



1,889 women

Trained catalysing lasting change in their lives through skill development and livelihood opportunities.



Recognising the importance of trainers in building a competitive workforce, L&T established the Skill Trainers Academy (STA) in 2021 in Madh, Maharashtra. The STA aims to bridge the industry-academia gap by enhancing trainer capabilities through its 'Training of Trainers' (ToT) programme. The programme focuses on domain expertise, delivery techniques and soft and life skills to ensure industry-relevant instruction. The centre boasts modern infrastructure and expert trainers, including former L&T professionals and certified experts with MEPSC credentials.

In the past year, STA has trained 835 ITI trainers, polytechnic instructors and assessors affiliated with the Construction Sector Skill Council. Recognised as an Exclusive Centre for ToT/ToA by the Construction Skill Development Council of India (CSDCI), STA has established itself as a leader in trainer development.

Impact Assessment of CSR Projects

A total of 27 CSR projects implemented in FY 2022-23 qualified for impact assessment in FY 2024-25. Thinkthrough Consulting conducted the assessment during the year. These initiatives collectively reached approximately 5.5 lakh beneficiaries across thematic areas such as skilling, education, health, water and sanitation.

The assessment found that these interventions had a tangible and positive impact on both individual lives and community well-being. Beneficiaries reported improved quality of life through enhanced livelihood opportunities, increased income and savings and improved access to education, healthcare and knowledge for sustainable living. Furthermore, the adoption of better health and hygiene practices has contributed to a notable reduction in disease incidence, thereby strengthening overall community resilience and well-being.

Linking CSR Interventions with Government Schemes and Programmes:

Government Schemes and Programmes	L&T's Initiatives
Swachh Bharat Abhiyan	<ul style="list-style-type: none"> ■ 4,761 household toilets constructed since FY 2017-18 using local skills and materials ■ 916 school toilets constructed since FY 2015-16 ■ 40,172 children provided WASH awareness since FY 2015-16 ■ Community-based monitoring committees ensured that these villages became open-defecation-free
Swajal Yojana under the Rural Development Ministry	Watershed development programme under Unnati, ICDP
National Rural Livelihood Mission (NRLM)	SHG programme under Unnati, ICDP
Agricultural Technology Management Agency (ATMA) scheme	Exposure visit, training, demonstration under Unnati, ICDP
Pradhan Mantri Krishi Sinchayee Yojana	Drip irrigation in Unnati, ICDP
Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	Farm bunding activity in Unnati, ICDP
Sarva Shiksha Abhiyan (SSA)	Community preschool programmes and community learning centres prevent dropouts and ensure enrolment
STEM Initiative of National Science and Technology Communication Council and the Department of Science and Technology, Government of India	L&T's STEM Education Programme Jyoti
National AIDS Control Programme (NACP)	L&T ART Centre at Andheri
National TB Control Programme (RNTCP)	L&T TB Centre at Andheri
National Family Planning Programme	Contraceptive services made available at L&T Health Centres
Integrated Child Development Scheme	Improving the quality of services at Anganwadi and capacity building of Anganwadi workers
Mother and Child Health Programme	ANC PNC care and immunisation services provided at the health centres are linked to this programme
Ayushman Bharat Yojana	Linking patients visiting L&T health centres to this scheme
Pradhan Mantri Jan Arogya Yojana	Linking patients availing dialysis services at L&T centre to this scheme
Pradhan Mantri Bhartiya Janaushadhi Pariyojana	Linking patients visiting L&T health centres to this scheme
Mahatma Jyotiba Phule Jan Arogya Yojana in Maharashtra	Linking patients visiting L&T health centres with this scheme
Widow Pension Yojana	Linking HIV impacted widows at ART Centre
Adhar Poshan Yojana	Provide nutritional support to HIV-affected patients at the ART centre
National Skill Development Mission	L&T CSTIs and STA at Madh

L&T-eering: Employee Volunteering Initiative

L&T fosters a strong culture of employee volunteering, encouraging its staff to actively support social causes. In FY 2024-25, 9,590 L&T volunteers dedicated their time and skills to a range of initiatives, including creativity camps, STEM workshops, educational trips, NGO and craft melas, and Daan Utsav. Many volunteers focused on mentoring underprivileged children to bridge learning gaps and build future-ready skills. Employees also contributed to healthcare efforts through medical camps, blood donation drives, and awareness campaigns. Additionally, environmental initiatives like tree plantations, clean-up drives, and promoting renewable energy showcased L&T's commitment to community development and sustainability.

Young Science Leader (YSL) Initiative – Fostering Scientific Mindset in Rural Gujarat

On June 2024, LTPCT launched YSL Initiative - a Science Model Making Competition aimed at nurturing curiosity, creativity, and scientific thinking among students from Navsari and Dang districts. The initiative actively engaged L&Teers from AMNHEC, Hazira, in mentoring and guiding student participants.

Mentor Capacity Building

A dedicated workshop was conducted on November 2024, in collaboration with ENPower to equip L&Teers with mentoring skills focused on model creation, presentation, and idea refinement.

Special Session

On December 2024, a Fire & Safety Awareness was conducted at the Naik Foundation by L&Teer including quiz and practical demonstration.

Grand Exhibition

The final exhibition took place at KVS High School, Kharel, from December 20-21, 2024, showcasing 126 science models created by 378 students. 20 L&Teers served as jury members. The exhibition saw a footfall of 5,022 visitors.

A total of 59 L&Teers contributed 1,611 volunteer hours, significantly enriching the learning experience of participating students and promoting STEM education in underserved regions.

Student Engagement

Following interactive sessions at Deep Darshan School (Dang) and A.M. Naik Technical Training Centre (Navsari) on November 2024, 32 L&Teers began mentoring students both online and offline from November to December 2024. Their support included model enhancement, presentation and coaching.



Outlook Ahead

Two new Construction Skills Training Institutes (CSTIs) are being set up to expand access to skill development for youth and support their gainful employment while also strengthening existing CSTIs as Centres of Excellence. This step addresses the pressing workforce gap in the construction sector. Despite its scale, currently contributing about 9% to India's GDP and employing nearly 50 million people, the industry faces an annual shortage of around 4 million skilled workers, hampering growth and efficiency. Projections indicate that by 2030, India will require approximately 91 million skilled construction workers - an increase of about 45% over the current workforce - to meet rising industry demands. (Construction Skill Development Council, 2022)

To further promote STEM education in government schools, the programme will place greater emphasis on engaging key stakeholders, including parents and the wider community. This collaborative approach aims to build a supportive ecosystem where STEM education can flourish, ensuring better management and long-term sustainability of the project activities in these schools.

Relationship Capital

Refers to the value derived from an organisation's relationships with its stakeholders, including customers, suppliers, employees, investors, and the broader community. It encompasses trust, communication, collaboration, and goodwill, collectively fostering strong, mutually beneficial connections. Unlike physical or financial assets, relationship capital is intangible but pivotal in long-term business success and sustainability. Key aspects of relationship capital in the value chain include:

- **Trust and Collaboration:** When partners work together transparently and share information, it leads to more efficient problem-solving, innovation, and mutual growth.
- **Engagement and Loyalty:** Building long-term relationships with suppliers and customers enhances reliability, reduces lead times, and ensures better quality control.
- **Communication and Transparency:** Open, honest communication builds a foundation of trust, which is vital for anticipating issues, addressing challenges, and driving continuous improvement in the value chain.
- **Risk Management:** Strong relationships with the direct stakeholders help organisations better anticipate, mitigate, and manage risks such as supply disruptions, price volatility, or regulatory changes.

Embedding Sustainability in Supply Chain

L&T acknowledges the critical importance of a sustainable supply chain in fostering business resilience and generating long-term value for all stakeholders. As a leading, diversified engineering and construction conglomerate with an extensive and intricate global supply network, the Company is committed to embedding sustainability principles throughout its procurement and supply chain operations.

At L&T, procurement is viewed as a strategic lever to nurture long-term, trust-based relationships with the suppliers and partners. These relationships are a vital component of the capital and significantly enhance resilience and sustainability of the operations. Through the initiatives, the Company goes beyond contractual compliance to establish structured, collaborative partnerships with critical and strategic suppliers. These initiatives emphasise co-innovation, capability building and performance improvement. By focusing on these areas, L&T aims to build a robust and sustainable supply chain that supports the business objectives and contributes positively to the broader community and environment.



ESG Integration

The Company is guided by the Sustainable Supply Chain policy and Code of Conduct for suppliers, which outlines expectations related to labour practices, environmental protection, human rights, ethics and anti-corruption to ensure ESG factors are embedded across the supply chain.



Capacity Building

The Company believes in enabling the suppliers to grow sustainably alongside us. L&T conducts regular training and capacity-building sessions to familiarise suppliers with evolving sustainability expectations and standards. This includes topics such as fundamental of ESG, regulatory frameworks, BRSR, L&T's sustainability prerogatives, environmental management, health & safety and human rights.



Ethical Sourcing and Governance

All suppliers are expected to comply with the Supplier Code of Conduct and submit a declaration of compliance. This is a mandatory step towards onboarding any vendor. Additionally, the suppliers are assessed on limited ESG KPIs such as quality, safety, environment management systems and other compliances during the screening process. Also, grievance redressal and whistleblower mechanisms are in place and communicated regularly to enable suppliers and vendors to report concerns confidentially.



650+

*supply chain partners
were trained on ESG
in the past two years*

ESG Assessment of Supply Chain Partners in FY 2024-25

L&T undertook an internal ESG assessment of its top 200 supply chain partners in FY 2023-24, based on their contribution to total procurement spend. This initial assessment focused on limited ESG key performance indicators (KPIs), including environmental compliance, human rights, labour practices, CSR and basic governance parameters.

Building on this foundation, L&T further strengthened its approach to supply chain sustainability in the current reporting year by partnering with an independent third-party agency to conduct a more comprehensive ESG assessment. This external engagement brings enhanced objectivity and benchmarking capability and helps identify both risks and improvement opportunities across critical suppliers.

The refined approach includes detailed supplier questionnaires aligned with global ESG standards, desk reviews, disclosures, and on-ground validations (as applicable), scoring and classifying suppliers into ESG risk categories and developing corrective action plans for medium- and high-risk suppliers.

Identification of 'Critical' Supply Chain Partners

L&T undertook a structured and strategic exercise to identify critical supply chain partners - those with the highest influence on business continuity, operational performance and sustainability outcomes. Given the Company's diversified portfolio across infrastructure, engineering, manufacturing and EPC domains, the identification process was guided by a set of well-defined criteria, including:

- **High Value / High Volume Suppliers:** Partners supplying essential materials such as steel, cement, aggregates, or capital-intensive equipment.
- **Single or sole source suppliers:** Vendors providing proprietary technologies, niche components, or critical engineering systems with limited alternative sourcing options.
- **Strategic Impact Suppliers:** Suppliers deeply integrated into project delivery or long-term collaboration with innovation and co-development potential.
- **Geographical or Risk-Based Importance:** Suppliers operating in high-risk geographies or critical to time-sensitive project execution.
- **Client-Designated Suppliers:** Partners mandated or preferred by clients due to specific technical, compliance, or strategic reasons.

Based on this multi-dimensional criteria, 120 critical supply chain partners were identified for focused engagement. Suppliers engaged in commodity supplies, finished product supplies, engineered system supplies, service providers and labour subcontractors were identified to ensure a fair mix. During the reporting year, these suppliers underwent a comprehensive ESG assessment, forming the cornerstone of L&T's effort to strengthen sustainability performance, resilience, and transparency across its supply chain.

Training Programmes for Critical Supply Chain Partners

To support the ESG assessment process and foster shared responsibility, L&T conducted dedicated training sessions for its critical supply chain partners. These programs were designed to onboard suppliers into the Company's ESG journey and build awareness of the assessment framework, methodology, and expectations.

Phase 1 Self-assessment by the Supply Chain Partners

L&T leveraged a dedicated digital platform of a third party to conduct a structured self-assessment of its critical supply chain partners across five key ESG modules: **governance, ethical business practices, human rights and labour management, health and safety, and environment**. The assessment questionnaire was developed in alignment with applicable regulatory requirements, BRSR disclosure expectations, and global sustainability standards. Suppliers were required to submit supporting documentation for each response to ensure transparency and verifiability. To ensure objectivity and credibility, the responses and documents submitted were validated by independent third-party assessors. Based on the assessment, the suppliers were categorised into three categories reflecting their maturity in ESG performance: **green, yellow, and amber**.

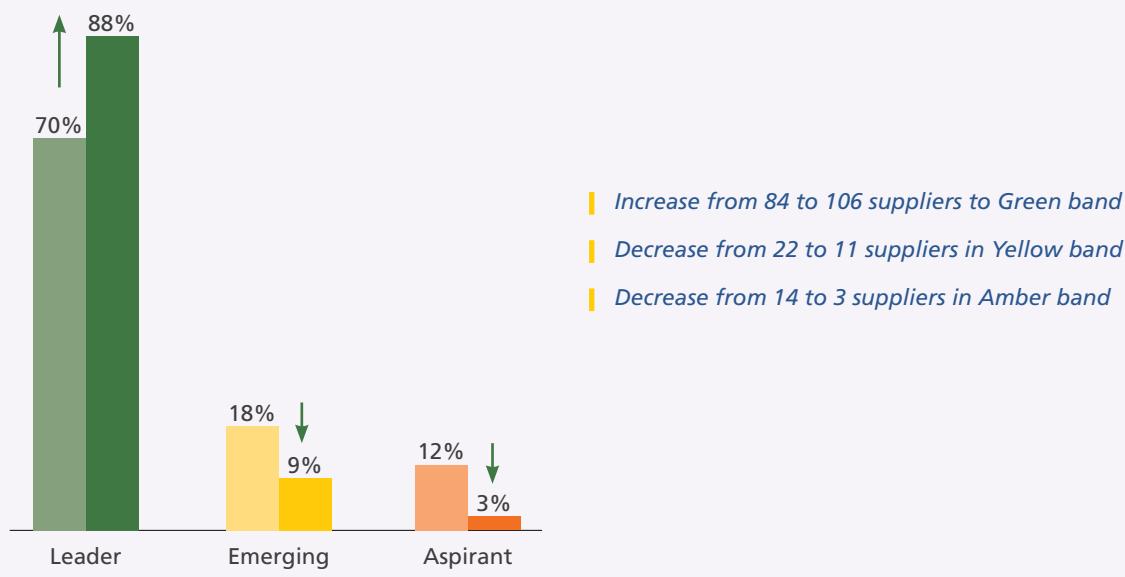
Phase 3 Re-assessment of ESG score

The yellow and amber band suppliers were subsequently reassessed through the digital platform, confirming measurable improvements in their ESG scores based on the corrective actions implemented.

Phase 2 Gap Assessment Report and Handholding Workshops

Following the first level ESG assessment, a customised action report was shared with yellow and amber rated supply chain partner, highlighting key findings and priority improvement areas. This enabled the suppliers to set specific targets and timelines to enhance their ESG performance and progress toward higher maturity bands. To support suppliers, those in the yellow and amber bands, L&T conducted targeted handholding sessions focused on recurring improvement areas across five ESG modules. Topics included *EMS implementation, ESG integration into business strategy, climate risk management, occupational health & safety, sustainable supply chain development, and water and waste management*. Suppliers were also assisted in developing and implementing action plans to enhance their ESG frameworks, policies, and implementation. This initiative demonstrates L&T's commitment to assessing ESG risks and building supplier capabilities through collaborative engagement and continuous improvement.

Impact of intervention and hand holding of the supply chain partners

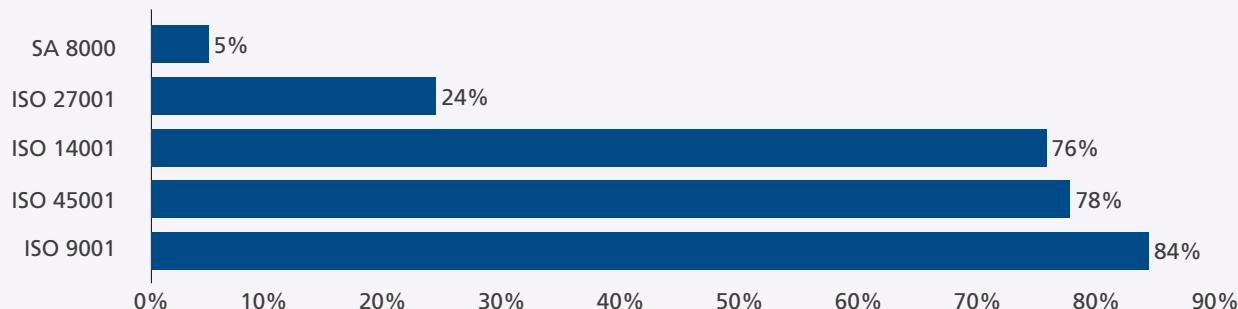


Band	Score Range	Interpretation	Phase I	Phase III
Green	> 60%	Leader		
Yellow	> 40% and < 60%	Emerging		
Amber	< 40%	Aspirant		

This outcome underscores the effectiveness of continuous engagement and capacity-building in driving tangible improvements in supply chain ESG performance.

Sustainability certifications in the supply chain play an important role in supporting ethical, environmental, and social responsibility throughout upstream and downstream operations. They help demonstrate alignment with recognised sustainability standards, enhance transparency, and contribute to managing ESG-related risks more effectively. Below is a categorised overview of widely recognised certifications:

Critical Suppliers with Certifications



By fostering open communication, joint problem-solving, and a shared commitment to responsible growth, L&T continues to deepen its relationship capital. These efforts enhance the Company's reputation as a partner of choice while ensuring alignment with global sustainability standards and stakeholder expectations.

The basis of identification of these stakeholders has been elucidated in the '*Driving Stakeholder Engagement*' chapter, along with the mode of engagement, frequency, and topics covered in these engagements. Furthermore, *Principle 4 of the BRSR* aligns closely with relationship capital by highlighting the importance of building strong, trust-based, and mutually beneficial relationships with stakeholders. This relationship capital, in turn, drives sustainable business growth, innovation, and long-term value creation.

A grievance redressal mechanism plays a crucial role in building and maintaining relationship capital by fostering trust, improving communication, preventing conflicts, and ensuring stakeholder loyalty. By addressing stakeholder concerns effectively and fairly, an organisation strengthens its relationships and enhances its long-term sustainability and reputation. The mechanism related to investors, shareholders, and supply chain partners is explained in Section A of the BRSR of this Report. *The mechanism for workers, communities, and customers are explained in Principles 3, 8, and 9, respectively, of the BRSR section of this Integrated Annual Report FY 2024-25.*

Relationship capital is a crucial intangible asset that reflects the strength and quality of an organisation's relationships with its stakeholders. It is built on trust, effective communication, and mutual respect, driving long-term success and sustainability. By fostering strong relationships, organisations can enhance stakeholder loyalty, improve reputation, and unlock new opportunities for growth. Managing relationship capital through consistent engagement, transparency, and responsiveness to stakeholder needs ensures a competitive edge and contributes to overall organisational resilience.

FINANCIAL CAPITAL

Financial capital is fundamental to the Company's resilience, allowing it to effectively manage risk amidst macroeconomic volatility and unforeseen disruptions. It enables the Company to maintain a balance between managing risk and pursuing sustainable growth. Backed by a record-high order book, a robust balance sheet, a well-diversified business portfolio, and a consistent track record

of successful execution, the Company is well-positioned to navigate the current business environment. Continued growth in core business segments, alongside strategic forays into emerging sectors is expected to play a pivotal role in advancing the Company towards its Lakshya 2026 goals. These efforts are also expected to deliver long-term value for all stakeholders.



Key Highlights of FY 2024-25

39% Order Inflow growth

13% Revenue growth

43% Dividend payout ratio

Strategy linkage¹



SDGs impacted



Material Topics

- Business Ethics
- Climate Action
- Data Security, Privacy and Cybersecurity
- Social Engagement and Impact

¹ For details, refer to the 'Business Model and Strategy' section of this Report.

L&T's standalone financials reflect the performance of Infrastructure Projects segment, Energy Projects segment (comprising Hydrocarbon, CarbonLite Solutions, and Green and Clean Energy), Hi-Tech Manufacturing segment (comprising Heavy Engineering and Precision Engineering & Systems), and Others segment (includes Realty, Construction & Mining Machinery, Rubber Processing Machinery, Smart World & Communication {reflects residual portion}, E-commerce/Digital platforms and Data centers).

Key highlights of FY 2024-25:

L&T Energy Hydrocarbon Engineering Limited and L&T Offshore Private Limited, wholly owned subsidiaries have been amalgamated with the Company w.e.f. April 1, 2024.

The Company, on April 10, 2024, concluded the sale of its stake in L&T IDPL to an infrastructure fund managed by Edelweiss Alternative Asset Advisors Limited.

In February 2025, the Company acquired the remaining 26% stake in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF) from the Nuclear Power Corporation of India Limited (NPCIL), thereby making LTSSHF, a wholly owned subsidiary.

The Company has acquired 15% equity shareholding of E2E Networks Limited through preferential allotment on December 04, 2024 and recognised it as an investment in an Associate of the Company.

Performance Summary for FY 2024-25:

Order Inflow achieved a growth of 39% y-o-y, basis robust growth of more than 100% in international orders.

Revenue registered growth of 13%, reflecting improved execution momentum from the opening order book.

Buoyancy in customer collections and advances improved operational cash flows.

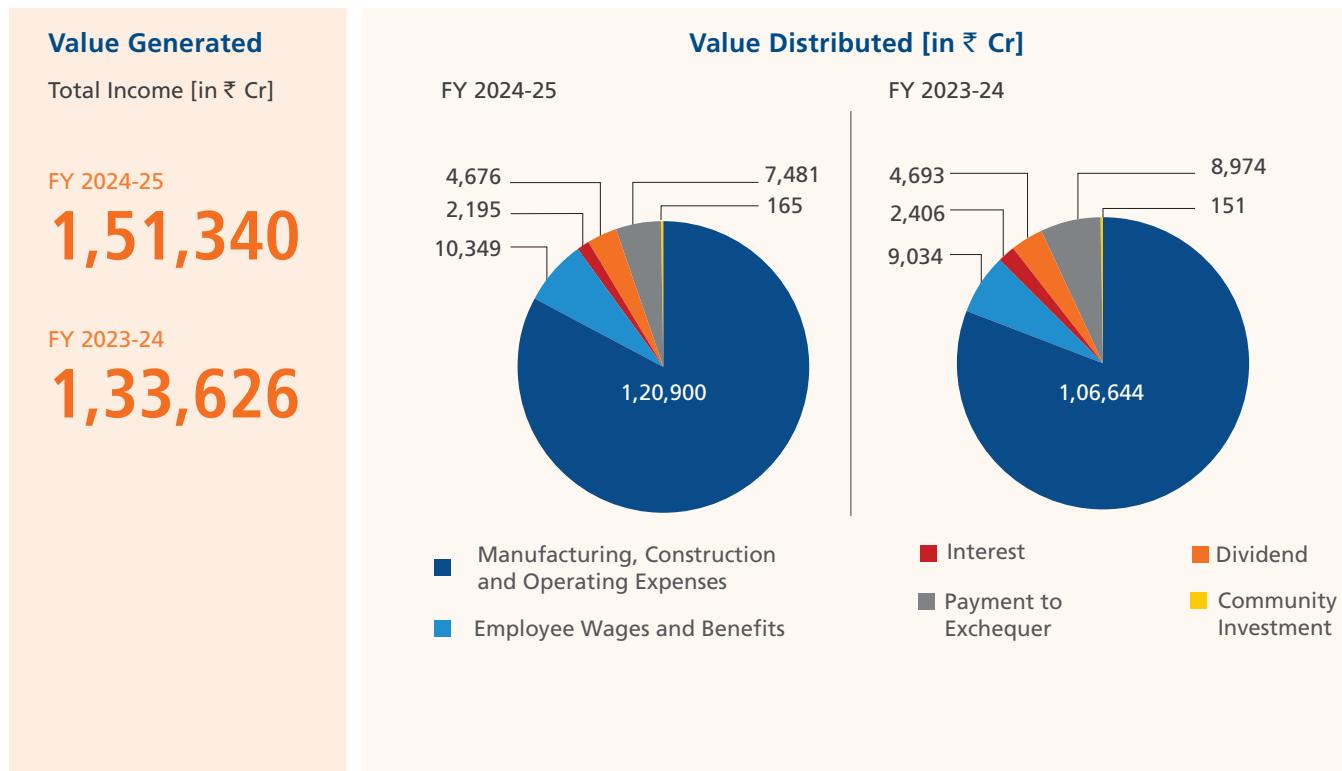
The Board of Directors has recommended a final dividend of ₹ 34 per equity share for the approval of the shareholders, resulting in a dividend payout of 43%.



Economic Value Generated and Distributed¹ [in ₹ Cr]

Data	Description	FY 2024-25	FY 2023-24
Economic Value Generated	Total income	1,51,340	1,33,626
	Manufacturing, construction and operating expenses	1,20,900	1,06,644
	Employee wages and benefits	10,349	9,034
	Payments to providers of capital		
Economic Value Distributed	Interest	2,195	2,406
	Dividend	4,676	4,693
	Payments to exchequer	7,481	8,974
	Community investments (CSR)	165	151
Economic Value Retained		5,573	1,725

¹Excluding exceptional items



Notes on Sustainability Information

The Integrated Report on various information across ESG parameters and based on defined standards or methodology. This section includes details on coverage, methods and references used for the disclosures.

Scope and Reporting Boundary

This report has been prepared for L&T Limited i.e. the Standalone entity. The scope is aligned with the businesses considered in the Company's standalone financial reporting. Listed subsidiaries of the Company i.e. LTIMindtree Limited, L&T Technology Services Limited, L&T Finance Limited, and unlisted subsidiaries have not been included in the reporting boundary.

Data disclosed for Scope-1 emissions, Scope-2 emissions, water, waste covers 100% of the Company's revenue in FY 2024-25.

Methodology and References

Scope-1 Emissions

Scope-1 emissions have been calculated based on GHG Protocol and considers all the fuels consumed by the Company in various processes or operations.

Emission factors for fuels (diesel, petrol, natural gas, liquified petroleum gas, furnace oil, acetylene) are as per the latest emission factors in IPCC AR5. Emission factors for certain other fuels (Biomass – wood pellets, Biodiesel – tallow oil) have been taken as published by DEFRA UK.

Scope-2 Emissions

Scope-2 emissions have been calculated based on GHG Protocol for the electricity consumed by the Company in various processes or operations. The Company does not consume any purchased steam, heat, or cooling. Scope-2 emissions is based on market-based method in all disclosures and targets. Location-based Scope-2 emissions have also been disclosed.

Electricity sourced from renewable power has been accounted based on the contracts signed by the business units of the Company or generated within the Company. The contracts have the relevant green attributes as required for accounting as renewable power. Residual mix for electricity sourced from the grids has been considered based on the country where the specific unit of the Company is consuming power. For India, the emission factor (residual mix) is that published by Central Electricity Authority (CEA) in December 2024. For other countries, emission factor has been taken from latest data published by International Renewable Energy Agency (IRENA).

Water

Water data has been disclosed based on direct measurement and estimation. Direct measurement is either through the flowmeters or through the bills provided by the supplier agency. Estimation method has been used wherever direct measurement was not available. For water used for industrial activities, estimation has been done based on quantity of work done in the time-period and average water consumption per unit of production. For water used for domestic purposes, estimation has been done based on per capita water requirement as published by National Building Code, 2016.

Waste

Waste data has been disclosed based on direct measurement and estimation. All hazardous waste is based on direct measurement. Direct measurement is either through weighment or through the bills or invoices provided by the waste processing agencies. Estimation method has been used primarily for some categories of non-hazardous waste wherever direct measurement was not available. Production or activity volume for the specific time-period and wastage % has been considered for the estimation e.g. concrete waste generated from concrete cube testing activity.

WE LOVE BUILDING YOUR SMILES.

That's why we've dedicated ourselves to building projects by using cutting-edge technologies to enhance their efficiency, safety and eco-friendliness.

Because when you smile, we know it's a job well done.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover
1	Infrastructure Projects	Engineering and Construction of (a) Building and Factories, (b) Transportation Infrastructure, (c) Heavy Civil Infrastructure, (d) Power Transmission & Distribution, (e) Renewables, (f) Water & Effluent Treatment and (g) Minerals and Metals	73%
2	Energy Projects	EPC solutions in <ul style="list-style-type: none"> (a) Hydrocarbon Onshore and Offshore businesses covering 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 power generation plants including power generation equipment with associated systems and/or carbon capture utilisation & utility packages (c) Green and Clean Energy space 	17%
3	Hi-Tech Manufacturing	Design, manufacture / construct, supply, revamp/retrofit of <ul style="list-style-type: none"> (a) Heavy Engineering business covering custom designed, engineered critical equipment and systems for the process plants, nuclear energy and green hydrogen sectors (b) Precision Engineering and Systems business covering marine and land platforms including related equipment and systems; aerospace products and systems; precision and electronic products and systems for the defence, security, space and industrial sectors 	7%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No	NIC Code			Product/Services	% of total turnover contributed
	Group	Class	Sub Class		
1	282	2824	28246	Manufacture of parts and accessories for machinery / equipment used by construction and mining industries	6%
2	410	4100	41001	Construction of buildings carried out on own-account basis or on a fee or contract basis	13%
3	421	4210	42101	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels, and subways	23%
			42102	Construction and maintenance of railways and rail-bridges	
4	422	4220	42201	Construction and maintenance of power plants	12%
			42202	Construction / erection and maintenance of power, telecommunication, and transmission lines	11%
			42204	Construction and maintenance of water main and line connection, water reservoirs including irrigation system (canal)	
			42205	Construction and repair of sewer systems including sewage disposal plants and pumping stations	10%
5	429	4290	42901	Construction and maintenance of industrial facilities such as refineries, chemical plants	15%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	19	29	48
International	0	13	13

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	Pan-India
International (No. of Countries)	58

b. What is the contribution of exports as a percentage of the total turnover of the entity?

29%

c. A brief on types of customers

The Company's primary businesses are EPC projects related to infrastructure and energy and manufacturing of equipment and systems for process industries. Government (sovereign, sub-national, local) and related entities (government owned/controlled corporations, e.g., public sector enterprises) are the largest clients of the Company and contributing to ~80% of the revenue. Other clients are from private sector, comprising both Indian and foreign companies, in various sectors and industries.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No	Particulars ¹	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	52,505	47,747	90.9%	4,758	9.1%
2.	Other than Permanent (E)	3,960	3,753	94.8%	207	5.2%
3.	Total employees (D + E)	56,465	51,500	91.2%	4,965	8.8%
WORKERS						
4.	Permanent (F)	2,091	2,084	99.7%	7	0.3%
5.	Other than Permanent (G)	3,54,415	3,52,339	99.4%	2,076	0.6%
6.	Total workers (F + G)	3,56,506	3,54,423	99.4%	2,083	0.6%

¹ Other than permanent employees comprise Fixed Term Employees (FTEs). 'Permanent' workers include only those workers who are employed for full-time or part-time work with L&T for an indeterminate period. 'Other than Permanent' workers include workers on third-party roll and on contract.

b. **Differently abled employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	60	57	95%	3	5%
2.	Other than Permanent (E)	8	8	100%	0	0%
3.	Total differently abled employees (D + E)	68	65	95.6%	3	4.4%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	11	11	100%	0	0%
5.	Other than Permanent (G)	10	10	100%	0	0%
6.	Total differently abled workers (F + G)	21	21	100%	0	0%

21. **Participation/Inclusion/Representation of women**

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	15	1	6.7%
Key Management Personnel	1	0	0%

Note: The Chairman & MD and CFO are included in the Board of Directors.

22. **Turnover rate for permanent employees and workers**

Particulars	FY 2024-25 [values in %]			FY 2023-24 [values in %]			FY 2022-23 [values in %]		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.8%	11.8%	8.1%	11.5%	14.0%	11.7%	11.8%	20.1%	12.5%
Permanent Workers	6.9%	28.6%	7.0%	9.5%	0	9.5%	1.8%	0	1.8%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) **Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the Company (A)	Subsidiary / Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
1	Bhilai Power Supply Company Limited	Subsidiary	99.9%	No
2	L&T Aviation Services Private Limited	Subsidiary	100%	No
3	L&T Capital Company Limited	Subsidiary	100%	No
4	L&T Global Holdings Limited	Subsidiary	100%	No
5	Larsen & Toubro International FZE	Subsidiary	100%	No
6	L&T Community Welfare Association^	Subsidiary	100%	No
7	L&T Semiconductor Technologies Limited	Subsidiary	100%	No
8	L&T Metro Rail (Hyderabad) Limited	Subsidiary	99.99%	No
9	L&T Finance Limited	Subsidiary	66.24%	No*
10	L&T Financial Consultants Limited	Subsidiary	66.24%	No

S. No.	Name of the Company (A)	Subsidiary / Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
11	L&T Infra Investment Partners Advisory Private Limited	Subsidiary	66.24%	No
12	L&T Infra Investment Partners Trustee Private Limited	Subsidiary	66.24%	No
13	L&T Energy Green Tech Limited (Formerly L&T Power Limited)	Subsidiary	100%	No
14	L&T Electrolysers Limited	Subsidiary	100%	No
15	L&T Special Steels & Heavy Forgings Private Limited	Subsidiary	100%	No
16	L&T Modular Fabrication Yard LLC	Subsidiary	70%	No
17	L&T Hydrocarbon Saudi Company LLC	Subsidiary	100%	No
18	Larsen & Toubro Electromech LLC	Subsidiary	70%	No
19	Larsen & Toubro Heavy Engineering LLC®	Subsidiary	70%	No
20	Larsen Toubro Arabia LLC	Subsidiary	75%	No
21	Larsen & Toubro Kuwait Construction General+ Contracting Company WLL	Subsidiary	49%	No
22	Hi-Tech Rock Products & Aggregates Limited	Subsidiary	100%	No
23	Larsen & Toubro (East Asia) Sdn. Bhd+	Subsidiary	30%	No
24	Larsen & Toubro Oman LLC	Subsidiary	65%	No
25	Larsen & Toubro Saudi Arabia LLC	Subsidiary	100%	No
26	Larsen & Toubro T&D SA (Pty) Limited	Subsidiary	72.5%	No
27	L&T Geostructure Private Limited	Subsidiary	100%	No
28	PT. Larsen & Toubro	Subsidiary	100%	No
29	Graphene Solutions Sdn.bhd	Subsidiary	73.66%	No
30	L&T Technology Services Pte. Ltd	Subsidiary	73.66%	No
31	Graphene Solutions Taiwan Ltd.	Subsidiary	73.66%	No
32	LTIMindtree Information Technology Services (Shanghai) Co.	Subsidiary	68.57%	No
33	LTIMindtree Spain SL	Subsidiary	68.57%	No
34	LTIMindtree Financial Services Technologies Inc	Subsidiary	68.57%	No
35	LTIMindtree, Sociedad De Responsabilidad Limitada De Capital Variable (Formerly L&T Infotech S. DE. RL. DE. CV.)	Subsidiary	68.57%	No
36	L&T Technology Services Limited	Subsidiary	73.66%	No*
37	L&T Technology Services LLC	Subsidiary	73.66%	No
38	L&T Technology Services (Shanghai) Co. Ltd.	Subsidiary	73.66%	No
39	L&T Technology Services (Canada) Limited	Subsidiary	73.66%	No
40	L&T Thales Technology Services Private Limited	Subsidiary	54.51%	No
41	L&T Technology Services Poland Sp. Z O.o. W Organizacji	Subsidiary	73.66%	No

S. No.	Name of the Company (A)	Subsidiary / Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
42	LТИ Mindtree Canada Limited	Subsidiary	68.57%	No
43	LTI Mindtree Gmbh	Subsidiary	68.57%	No
44	LTI Mindtree Limited	Subsidiary	68.57%	No*
45	LTI Mindtree Norge As	Subsidiary	68.57%	No
46	LTI Mindtree South Africa (Pty) Limited	Subsidiary	47.71%	No
47	Nielsen+Partner Pte Ltd.	Subsidiary	68.57%	No
48	LTI Mindtree Switzerland AG	Subsidiary	68.57%	No
49	LTI Mindtree (Thailand) Limited	Subsidiary	68.57%	No
50	Syncordis Limited, UK	Subsidiary	68.57%	No
51	LTI Mindtree S.A	Subsidiary	68.57%	No
52	LTI Mindtree PSF S.A	Subsidiary	68.57%	No
53	LTI Mindtree USA Inc	Subsidiary	68.57%	No
54	LTI Mindtree UK Limited	Subsidiary	68.57%	No
55	LTI Mindtree Middle East FZ-LLC	Subsidiary	68.57%	No
56	L&T Network Services Private Limited	Subsidiary	100%	No
57	L&T Construction Equipment Limited	Subsidiary	100%	No
58	L&T Valves Limited	Subsidiary	100%	No
59	L&T Valves USA LLC	Subsidiary	100%	No
60	L&T Valves Arabia Manufacturing LLC	Subsidiary	100%	No
61	L&T Himachal Hydropower Limited	Subsidiary	100%	No
62	L&T Power Development Limited	Subsidiary	100%	No
63	Nabha Power Limited	Subsidiary	100%	No
64	Larsen & Toubro Qatar LLC @+	Subsidiary	49%	No
65	Chennai Vision Developers Private Limited	Subsidiary	100%	No
66	L&T Realty Developers Limited	Subsidiary	100%	No
67	L&T Realty Properties Limtied (Formerly L&T Seawoods Limited)	Subsidiary	100%	No
68	Elante Properties Private Limited (Formerly L&T Parel Project Private Limited)	Subsidiary	100%	No
69	Prime Techpark (Chennai) Private Limited	Subsidiary	100%	No
70	Bangalore Galaxy Techpark Private Limited	Subsidiary	100%	No
71	Chennai Nova Techpark Private Limited	Subsidiary	100%	No
72	Business Park (Powai) Private Limited	Subsidiary	100%	No
73	Corporate Park (Powai) Private Limited	Subsidiary	100%	No
74	Millennium Techpark (Chennai) Private Limited	Subsidiary	100%	No
75	LH Residential Housing Private Limited	Subsidiary	100%	No

S. No.	Name of the Company (A)	Subsidiary / Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
76	LH Uttarayan Premium Realty Private Limited	Subsidiary	100%	No
77	Larsen & Toubro CIS Foreign Enterprise LLC	Subsidiary	60%	No
78	LTIMindtree Consulting Brazil Ltda	Subsidiary	68.57%	No
79	Siliconch Systems Private Limited	Subsidiary	100%	No
80	Intelliswift Software (India) Private Limited	Subsidiary	73.66%	No
81	Intelliswift Software Inc.	Subsidiary	73.66%	No
82	Intelliswift Software (Hungary) KFT	Subsidiary	73.66%	No
83	Intelliswift Software (Costa Rica) Limitada	Subsidiary	73.66%	No
84	Intelliswift Software (Canada) Inc	Subsidiary	73.66%	No
85	Global Infotech Corporation	Subsidiary	73.66%	No
86	P. Murphy & Associates Inc	Subsidiary	73.66%	No
87	LTIM Aramco Digital Solutions for Information Technology Company	Subsidiary	34.97%	No
88	Raykal Aluminium Company Private Limited	Joint Venture	75.5%	No
89	L&T MBDA Missile Systems Limited	Joint Venture	51%	No
90	LTH Milcom Private Limited	Joint Venture	56.67%	No
91	GH4India Private Limited	Joint Venture	33.33%	No
92	L&T Sapura Shipping Private Limited	Joint Venture	60%	No
93	Hydrocarbon Arabia Limited Company	Joint Venture	60%	No
94	Indiran Engineering Projects and Systems Kish (LLC)	Joint Venture	50%	No
95	L&T Howden Private Limited	Joint Venture	50.1%	No
96	L&T-MHI Power Boilers Private Limited	Joint Venture	51%	No
97	L&T-MHI Power Turbine Generators Private Limited	Joint Venture	51%	No
98	L&T-Sargent & Lundy Limited	Joint Venture	50%	No
99	Gujarat Leather Industries Limited [®]	Associate	50%	No
100	Magtorg Private Limited	Associate	42.85%	No
101	L&T Camp Facilities LLC	Associate	49%	No
102	Larsen & Toubro Qatar & Hbk Contracting Co. WLL [®]	Associate	50%	No
103	E2E Networks Limited	Associate	15%	No
104	Grameen Capital India Private Limited [%]	Associate	17.22%	No

[®] in process of liquidation

* These subsidiaries have a separate BRSR

[^] Subsidiary as per Companies Act 2013

⁺ Subsidiary by virtue of control over composition of Board of Directors

[%] Associate of Subsidiary under Companies Act 2013

VI. CSR DETAILS**24. CSR Details**

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (in ₹ crore)	1,42,509
Net worth (in ₹ crore)	71,896

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No); if Yes, then provide web-link for grievance redress policy	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0		0	0	
Investors (other than shareholders)	Yes	0	0		0	0	
Shareholders	Yes	0	0		0	0	
Employees and Workers	Yes	886	3		510	5	
Customers ²	Yes	265	26		32	10	
Value Chain Partners (suppliers)	Yes	52	20		59	18	
Others	Yes	35	19	Whistleblower complaints	52	23	Whistleblower complaints

² Higher complaints on account of inclusion of data from new businesses e.g., SuFin scaling up

The Company has internal systems and procedures for grievance redressal of the above categories of stakeholders. Details of the mechanisms are elucidated below:

Investors and Shareholders: The Company has established a dedicated grievance redressal mechanism through the e-mail ID IGRC@Larsentoubro.com, allowing investors and shareholders to raise any concerns or grievances. In addition, the Company provides multiple channels for grievance submission, including:

- Physical letters sent to the registered office address
- E-mails to the Registrar and Transfer Agent (RTA) KFin Technologies Ltd. (KFintech) at einward.ris@kfintech.com
- Telephone calls or physical visits to the RTA office in Hyderabad
- Grievance redressal platform of SEBI (SCORES)
- Smart ODR portals of BSE and NSE
- Letters received from the Registrar of Companies (ROC)

Grievances received through the IGRC e-mail ID are responded to promptly where details are readily available with the Company. Grievances reported to the RTA are forwarded to the Company, and scanned copies of these communications are accessible via the Karisma system (KFintech Portal). The Company regularly monitors the Inward Report available on the Karisma Portal to ensure that the Service Level Agreement (SLA) timelines are adhered to for timely resolution of queries and complaints. The SLA for resolution of grievances is set at 30 days.

On a quarterly basis, the Company submits a report to the Stock Exchanges detailing complaints received and resolved. These reports are also reviewed by the Stakeholders Relationship Committee and presented to the Board for their information and oversight.

Supply chain partners: The Company uses dedicated vendor management platform, the Partner Portal, to register and address grievances related to contractual matters such as administrative and statutory compliances, payment, invoicing, contractual clauses, material and services scheduling and delivery, quality non-conformances. The typical resolution time for these contractual grievances is 30-45 working days, with more complex disputes possibly requiring more than 45 days for resolution.

For grievances beyond contractual issues, such as concerns about unethical behaviour, improper practices, misconduct, violations of legal or regulatory requirements, or fraud, the Company has formulated a Whistleblower Policy for Vendors and Channel Partners. This policy outlines the process for addressing such grievances and is available to all registered vendors across the Company. The policy can be accessed online at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>

The grievance redressal mechanisms for employees and workers, community and customers are explained in Principle 3, Principle 8 and Principle 9 respectively.

26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk alongwith its financial implications, as per the following format

The Company conducts a materiality assessment to identify and prioritise key topics related to ESG factors. The material topics identified through this process are categorised based on their potential to either create opportunities or pose risks. For certain topics, the primary focus is on risk mitigation and taking proactive actions to minimise or prevent these risks from materialising. *Details regarding the material topics, their classification (as risks or opportunities), the approach to mitigate risks, and any financial implications are comprehensively outlined in the 'Understanding Materiality' section of the Integrated Annual Report FY 2024-25.*

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

Disclosure Questions	Principles								
Policy and management processes	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes, each principle and its core elements are covered by one or more policies of the Company.								
b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies are approved by the Board or the Board Committee or Executive Committee of the Company.								
c. Web Link of the Policies, if available	The policies are available at https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Most of the policies are implemented through procedures which are either incorporated in the policies or available as separate documents/SOPs/processes.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the Code of Conduct for Suppliers encompasses key aspects of the Company's policies that are applicable to the value chain partners. It sets clear expectations regarding ethical business practices, labour rights, health and safety standards, and environmental stewardship. Additionally, other relevant policies such as the Whistleblower Policy for Vendors and Channel Partners are also extended to supply chain partners, ensuring that they have access to appropriate mechanisms for raising concerns and promoting transparency and accountability across the value chain.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusteia), standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	P1: SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 P2: SA 8000 (key manufacturing facilities), ISO 14001, ISO 45001 P3: Factories Act, 1948, Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, SA 8000 (key manufacturing facilities), ISO 45001 P5: Factories Act, 1948, Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, SA 8000 (key manufacturing facilities), Contract Labour (Regulation and Abolition) Act, 1970 P6: ISO 14001, ISO 50001 P8: CSR disclosures pursuant to Section 135 of the Companies Act, 2013 P9: ISO 27001: 2013								

Disclosure Questions	Principles								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.		(a)	(e) (f)		(f)	(a)(b) (c)		(d)	
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.		(a)	(e) (f)		(f)	(a)(b)(c)		(d)	

#	Parameter/Metric	Target FY 2025 -26	Achieved FY 2024-25
(a)	Green Business (% of revenue)	55%	53%
(b)	Emissions Intensity Reduction	30% [wrt baseline year FY 2020-21]	28%
(c)	Saplings Plantation	1.5 - 2 million per year	~1.7 million
(d)	CSR Project Beneficiaries	2 million	1.9 million
(e)	Gender diversity	10%	9.1%
(f)	Mission Zero Harm	LTIFR : 0.04 (Employees) 0.12 (Workers)	

The targets of FY 2025-26 had been formulated as a part of Lakshya-26 strategy plan during FY 2021-22. Based on the progress, few targets have been revised and presented in the above table.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

At L&T, our commitment to society and environment is considered a key enabler for sustainable business success. The rapid progression of climate change, evolving regulations, and rising stakeholder expectations have positioned ESG factors at the core of our business strategy. We view ESG as a strategic imperative, enhancing risk management, optimizing capital allocation, unlocking new growth opportunities, and building stakeholder trust. By integrating ESG into our governance, planning, and operations, we ensure that our resources are allocated to initiatives that promote sustainable and inclusive outcomes.

L&T has set ambitious targets- achieving Carbon Neutrality by 2040 and Water Neutrality by 2035, demonstrating our long-term commitment to environmental stewardship. To meet these goals, our business units have implemented targeted initiatives aimed at reducing energy intensity, minimizing GHG emissions, and increasing the share of renewable energy in our overall consumption. Key efforts include reducing reliance on fossil fuels and expanding the use of renewable electricity. These strategies face inherent challenges due to the nature of our EPC projects spread across large, open geographic areas at temporary sites (2-4 years) and, particularly in linear infrastructure projects. Despite these complexities, we achieved a 20% reduction in overall GHG emission intensity in FY 2024-25 compared to the previous year, driven largely by a 16% reduction in energy intensity over the same period. We also made significant strides in renewable energy adoption, with renewable electricity accounting for 15% of our total electricity consumption in FY 2024-25. While achieving full decarbonisation of electricity remains a long-term challenge, we are committed to steady progress through innovation, investment, and operational excellence.

In support of our commitment to achieving Water Neutrality by 2035, L&T continues to implement targeted measures to reduce freshwater consumption and promote sustainable water management across its operations. Our approach focuses on three core areas: enhancing water use efficiency, increasing wastewater recycling, and expanding rainwater harvesting infrastructure. In FY 2024-25, 2.6 million kl of wastewater were recycled, and 1 lakh kl of rainwater were harvested across various project sites and campuses. The overall water sourcing and consumption numbers as reported have increased over the previous year, mainly due to our increased coverage of measurement and accounting across the sites and geographies. These initiatives are critical to minimizing our freshwater footprint, especially in water-scarce regions, and form a key pillar of our broader environmental sustainability agenda.

During FY 2024-25, we conducted a study to evaluate the rainwater harvesting infrastructure established through our CSR activities in rural areas. The study revealed that we have created infrastructure with a rainwater harvesting potential of 4.5 million kl annually. Over the past three years, this infrastructure has provided an estimated 3.2 million kl of additional water availability for the community each year. While the CSR initiatives have been taken up to address the needs of the rural communities, the water resources thus created, also contribute to our journey towards Water Neutrality by 2035.

The Company is committed to incorporating Circular Economy principles, aiming to reduce dependence on natural resources. In FY 2024-25, approximately 28% of the bulk materials used in our operations have lower embedded carbon and are non-virgin materials. This shift towards more sustainable materials is expected to reduce environmental impact, enhance resource efficiency, and foster innovation across our business units.

As part of the commitment to advancing sustainability beyond our boundaries, L&T has initiated a structured programme for the assessment and capacity building of supply chain partners. In FY 2024-25, the Company, in collaboration with an external expert agency, rolled out this assessment targeting 120 critical supply chain partners. The initiative focuses on evaluating partners' performance on ESG parameters, identifying areas for improvement, and supporting them through targeted capacity-building interventions. This programme marks a significant step towards fostering a resilient, responsible, and future-ready supply chain ecosystem.

At L&T, the path to a sustainable future is forged through innovation, leadership, and strategic partnerships. Our Green Business offerings exemplify this commitment—enabling clients to reduce emissions, enhance water recycling, optimise resource consumption, and achieve sustainable transition. In FY 2024-25, the Green Business portfolio continued its robust growth, contributing 53% of the Company's total revenue. This strong performance places us well ahead of the original target of achieving 40% revenue from Green Business by FY 2025-26. In light of this positive trend and sustained revenue momentum, the Company has set an enhanced and ambitious target of 55% revenue from Green Business by FY 2025-26, reaffirming the commitment to driving sustainable growth and supporting the transition to a low-carbon economy.

L&T is deeply committed to providing equal opportunity, promoting diversity and inclusion, and fostering a safe, supportive, and empowering workplace. As of FY 2024-25, the Company's gender diversity stands at 9.1%, with a target to reach 10% by FY 2025-26. Demonstrating leadership in workplace equity, L&T became the first Indian Company in the construction and engineering sector to introduce one-day paid menstrual leave every month for women employees. Announced on International Women's Day, this initiative positively impacts around 5,000 women across the Company.

Safety remains of paramount importance. A comprehensive set of initiatives continues to be deployed across project sites and manufacturing locations to safeguard the health and well-being of employees and contract workmen. In FY 2024-25, approximately 26,000 employees and over 3,54,000 contract workmen underwent structured health and safety training, reinforcing the Company's commitment to maintaining a strong and proactive safety culture. To ensure that workmen are aware of their rights, the '**Humara Jeevan, Humara L&T**' campaign—launched late last year—has already reached over 10,000 workmen across our project sites. This initiative is designed to educate and empower them by providing accessible information on various topics, including government schemes, provident fund (PF) benefits, health initiatives, and more. In the coming months, the campaign will be rolled out to additional locations, further extending its reach and impact by bringing critical awareness and support to the workforce that drives our projects.

In line with its focus on continuous improvement and performance-driven accountability, the Company introduced a Reward and Penalty System for its EPC projects business segment. Under this mechanism, business units that exceed defined safety targets receive a fixed monetary reward and units that fall short of the targets incur a fixed monetary penalty. Importantly, the outcome of this system directly influences the annual performance-linked rewards or bonuses of all employees within the respective business units. This integrated approach aligns with the Company's sustainability and operational excellence goals.

Corporate Social Responsibility (CSR) has been deeply ingrained in L&T's values long before it became a statutory mandate. Guided by its overarching mission to strengthen India's social infrastructure, the Company's CSR efforts focus on strategic pillars including water and sanitation, education, healthcare, and skill development. In FY 2024-25, L&T's CSR initiatives positively impacted approximately 1.9 million lives, surpassing the FY 2025-26 target of reaching 1.7 million beneficiaries. This achievement reflects our focused and scalable interventions across key thematic areas. Building on this momentum and our expanded reach, we have set a new target of reaching 2 million beneficiaries through our CSR projects, reinforcing our commitment to inclusive growth and community empowerment.

The key flagship initiative, **Unnati – the Integrated Community Development Programme (ICDP)**, has been instrumental in transforming rural, water-stressed regions of Maharashtra, Tamil Nadu, and Rajasthan. Over the past decade, the programme has covered approximately 44,856 hectares, resulting in an average increase of 9.3 meters in the groundwater table and directly benefiting more than 30,000 households through enhanced water security and agricultural resilience. In the education domain, Project Jyoti addresses critical STEM learning gaps among students in standards 6 to 8 across government schools in Gujarat, Tamil Nadu, and Maharashtra. By equipping schools with digital infrastructure and introducing activity-based learning, hands-on models, and Edu-Reels (curriculum-aligned short videos), the initiative reached 314 schools and 52,924 students in FY 2024–25.

Over the past year, we have enhanced our systems and processes to improve the quality, consistency, and transparency of our non-financial data and information. We remain committed to deepening ESG integration, driving impact through innovation, and aligning with global standards and frameworks, from advancing employee well-being and promoting circular economy practices to accelerating the clean energy transition and integrating sustainability into our supply chain.

We believe that '**Tech-Celerating Sustainable Progress**' is not just an ambition—it is a shared responsibility that requires deliberate and purposeful action across the pillars of Environment, Social, and Governance. We are committed to taking a holistic and balanced approach, ensuring that every action we undertake generates enduring value for all our stakeholders: customers, suppliers, business partners, shareholders, employees, communities, society at large, and the planet. By embedding sustainability at the core of our operations, we are working to build a future that is resilient, inclusive and enduring.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

The Chairman & MD and the Board are the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, the Company's CSR & Sustainability Committee of the Board is responsible for decision making on sustainability related issues. *For details of the composition, role, and terms of reference, please refer to Annexure 'B' to the Board Report in the Integrated Annual Report FY 2024-25.*

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / any other Committee					Frequency (Annually / Half yearly / Quarterly / any other - please specify)			
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow-up action	Yes, the performance against policies is reviewed by the Board or the Board Committees or the Executive Committee (as applicable) on periodic basis.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with the relevant regulations as applicable against each principle.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

The Company holds over 400 global certifications across its businesses, granted by esteemed third-party audit agencies such as DNV India, TUV-Nord and LRQA. These audits are conducted across various standards, including ISO/IEC 27001 – Information Security Management System (ISMS), ISO 14001 – Environment Management System (EMS), ISO 45001 – Occupational Health and Safety Management System (OHSMS), ISO 9001 – Quality Management System (QMS), SA 8000 – Social Accountability Standard, ISO 29001 – Quality Management System for the Oil & Gas Industry, ISO 50001 – Energy Management System (EnMS), EN 1090 – European Standard for steel and aluminium structures,

EN 3834 – Welding, ASME (American Society of Mechanical Engineers) standards, ISO 20000 – IT Service Management, ISO 30400 Series – HR Management, ISO 56000 Series – Innovation Management, ISO 10006 – Quality Management in Projects, ISO 21500 Series – Programme and Portfolio Management, ISO 31000 Series – Risk Management, ISO 19600 – Compliance Management, ISO 37000 Series – Governance, ISO 37001 – Anti-Bribery Management.

During these certification audits, independent third-party agencies verify key components such as policies, processes, procedures, records, and the monitoring and review processes implemented by the Company to ensure compliance with these standards.

During the year, the Company assigned an independent third party to review of the existing Ethics Framework and provide recommendations. The key policies and procedures included in the review are as follows:

- Code of Conduct for Board members and senior management
- Code of Conduct for employees
- Code of Conduct for suppliers
- Whistleblower Policy for employees
- Whistleblower Policy for vendors and channel partners
- Anti-Bribery and Anti-Corruption Policy and compliance procedures

Please refer to ‘Sustainability Governance and Management’ of the Integrated Annual Report FY2024-25 for further details on third party ethics audit by an independent third party.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									Not applicable
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / Principles covered under the training and its impact	% of persons covered by the awareness programmes
Board of Directors	4	Business, strategy, risk, Induction, ESG, induction and update of laws	98%
Key Managerial Personnel	6	Business, strategy, risk, regulatory discussions, ESG, induction and update of laws	100%

Segment	Total number of training and awareness programmes held	Topics / Principles covered under the training and its impact	% of persons covered by the awareness programmes
Employees other than BoD and KMPs	9,955	The Company conducts numerous online and offline training led by internal or external faculty/expert throughout the year for all employees of the Company. Key topics of these trainings are code of conduct, safety, human rights, prevention of sexual harassment, diversity and inclusion, sustainability and cybersecurity. Employees are also provided need-based training aligned to their jobs and roles, covering aspects such as behavioural competency, leadership development, project management, digital technologies, data analytics.	100%
Workers	97,461	Programmes covering topics include but not limited to, health and safety, human rights, disaster management, environment management, safety aspects specific to works/job, sexual harassment material handling.	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Fine settlement			No cases reported during the year	
Compounding fee				
Non-Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)	
Imprisonment		No cases reported during the year		
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

No cases have been reported during FY 2024-25.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has an Anti-Bribery and Anti-Corruption (ABAC) Policy, available at [L&T Corporate Policies](#). This policy provides a comprehensive framework covering standards of behaviour, internal controls, monitoring, reporting, training and awareness. The ABAC Policy applies to all employees working at all levels and grades of L&T, including Board

Members, and Senior Managerial Personnel (Senior Officers). It also extends, through the Code of Conduct for Suppliers, to all individuals and entities acting on behalf of the Company within its value chain. In addition, the Company has implemented several supporting policies and procedures, including:

- Code of Conduct for Board of Directors and Senior Management
- Code of Conduct for Supervisory, Executive, and Officers
- Code of Conduct for Suppliers
- Whistle Blower Policy
- Whistle-Blower Policy for Vendors and Channel Partners

The Company enforces a strict 'Zero Tolerance' stance on all forms of bribery and corruption—both active and passive—and has established robust measures to prevent and address such practices.

For more information on ABAC disclosures, please refer to 'Sustainability Governance and Management' chapter of the Integrated Annual Report FY 2024-25.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	0	–	0	–
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	–	0	–

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No cases or complaints received in the above matters.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	123	141

Previous year's figure has been restated to reflect the merger of a subsidiary with L&T Standalone.

- 9. Open-ness of business** Provide details of concentration of purchases and sales with trading houses, dealers and related parties alongwith loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases b. Number of trading houses where purchases are made from c. Purchases from top 10 trading houses as % of total purchases from trading houses	0.28% 25 89.5%	Not estimated
Concentration of Sales	a. Sales to dealers/distributors as % of total sales b. Number of dealers/distributors to whom sales are made c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors		Not applicable due to the nature of business
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases) b. Sales (Sales to related parties/Total Sales) c. Loans & advances (Loans & advances given to related parties/Total loans & advances) d. Investments (Investments in related parties/Total Investments made)	4.34% 1.27% 20.96% 58.71%	3.00% 1.21% 16.62% 67.52%

The Company has defined 'Trading House' based on the Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024 and definition provided by 'Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core'. Previous year's figures of share of RPTs have been restated to align with the current year's groupings and to reflect the merger of a subsidiary with L&T Standalone.

LEADERSHIP INDICATORS

- 1. Awareness programmes conducted for value chain partners on any of the Principles during the FY:**

Sr.no	Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	4	Basics of sustainability, regulatory landscape including global and Indian including National Guidelines on Responsible Business Conduct (NGRBC) Principles and SEBI's BRSR Core, L&T's policies and code of conduct, health and safety, human rights and environment parameters, ESG assessment being conducted by the Company and other good practices on ESG	255 companies attended these sessions, including supply chain partners from other geographies.
2	8	In-depth training sessions carried out by a third party on governance, ethical business practices, human rights and labour management, health and safety and environment	120 critical supply chain partners contributing to 23% of value by purchase

The supply chain partners selected to participate in these awareness sessions were identified based on their criticality to the Company's business and operations. The selection criteria included the quality and impact of their services on core functions, the availability of suitable alternate vendors, and the potential risks to business continuity in the event of disruption, monopolistic vendors and those supplying critical products, key materials, technologies, or essential services.

The Company undertakes several initiatives to build awareness among its supply chain partners, contractors, and subcontractors on key aspects aligned with the nine Principles of the National Guidelines for Responsible Business Conduct (NGRBC). These awareness programmes are broadly categorised into two focus areas: Safety and Sustainability.

- a) **Safety:** The Company conducts regular training and sensitisation sessions for contractual workers at project sites and manufacturing locations. These sessions cover a wide range of topics including safety induction, toolbox talks, proper use of personal protective equipment (PPE), occupational health, emergency preparedness, and job-specific safety practices such as working at heights, excavation safety, tunnel safety, and hot work protocols. To ensure a culture of safety, every individual—including employees, vendor personnel, clients, and visitors—is required to undergo a mandatory safety induction before commencing any activity at EPC project sites or manufacturing units.

- b) **Sustainability and Responsible Business Practices:** In FY2024-25, the Company adopted a more focussed approach to scale up its sustainability awareness and training programmes for supply chain partners. Four virtual sessions were conducted targeting critical supply chain partners, with 255 companies in attendance. These sessions featured a structured two-hour training module covering key aspects of sustainability and responsible business practices. Additionally, as part of the ESG assessment conducted for 120 critical supply chain partners by a third party, many handholding sessions were organised to guide them through the process.

For further details, please refer to 'Social and Relationship Capital' of the Integrated Annual Report FY2024-25.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If Yes, provide details of the same.

The Company has established formal processes to manage conflicts of interest involving members of the Board, including those that may arise from Directors accepting positions on the Boards of other companies or during routine business activities. These processes require Directors to recuse themselves from discussions and decision-making where a conflict of interest is identified. The Board members are expected to discharge their duties in a bona fide manner, prioritising the best interests of the Company. They must avoid any extraneous considerations that could impair their objective and independent judgment and not exploit their position for personal gain-whether direct or indirect-at the expense of the Company. Any conflict of interest involving a Board Member needs to be reported to the Chairman of the Audit Committee or the Chairman of the Board, ensuring transparency and accountability in governance practices.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	5.4% [₹ 9.5 Cr]	5.7% [₹ 9.6 Cr]	A few initiatives, but not limited to, are stated below:
Capex	2.8% [₹ 42.6 Cr]	3.3% [₹ 76.5 Cr]	<ul style="list-style-type: none"> • Replacing old equipment with higher energy efficiency or productivity equipment • Installation of rooftop solar PV modules and solar powered equipment e.g., light masts • Installation of sewage treatment plant, effluent treatment plant for wastewater treatment and recycling • Installation of water flowmeters and smart meters for monitoring • Purchase of bio-digestor for recycling canteen waste • Spend on facilities for skill training institutes

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

At L&T, sustainable sourcing is an integral part of the broader commitment to responsible business and environmental stewardship. Recognising the impact of the supply chain on people and the planet, sustainability criteria have been embedded across procurement and supplier engagement. The Company's Sustainable Supply Chain Policy and Code of Conduct of Suppliers guides all supply chain partners to engage in ethical, responsible, and legal business practices in their operations and adhere to ESG standards. The Company expects and urges its suppliers to establish suitable processes and management systems within their organisations that support compliance and drive continuous improvement with regard to the requirements included in Sustainable Supply Chain Policy and Code of Conduct for suppliers.

Key Principles:

- **Environmental Responsibility:** Through efficient use of resources, conservation of energy and water, procurement and use of recycled material and adopting a precautionary approach
- **Ethical Supply Chains:** Suppliers adhere to ethical business practices and anti-corruption standards.
- **Human Rights and Labour Management:** With a focus on health and safety standards adhering to the requirements of ISO 45001, payment of wages in a timely manner and zero tolerance towards child labour, forced labour and bonded labour.

Highlights of the Sustainable Sourcing Practices:

- **Sustainable supply chain Policy** which governs the sustainable supply chain management practices and state the expectations with respect to environment protection, health and safety norms, labour standards, human rights, ethical business practices and good governance.
- **Supplier Code of Conduct** rolled out to all the active vendors, covering ethics, human rights, and environmental compliance.
- **Supplier Sustainability Assessments** being conducted annually for select critical suppliers.
- **Digital Procurement Platforms** enable transparency, traceability and paperless transactions.
- **Training and awareness** with more than 650 supply chain partners participating in the sessions conducted in the past two years.
- **Handholding of critical supply chain partners** to improve their ESG performance.
- **Use of low carbon material and recycled material**, such as use of steel manufactured from electric arc furnace/induction furnace route as against steel manufactured through blast furnace route, blended cement in place of ordinary portland cement, wherever feasible, considering tender specifications and safety/technical aspect.

b. If yes, what percentage of inputs were sourced sustainably?

Accounts for 22% of L&T procurement spend by value. This is based on the sourcing from 'Green' rated vendors as a result of ESG assessment of 120 critical supply chain partners conducted by the Company through a third-party independent agency during FY 2024-25.

Please refer to Social and Relationship capital section of Integrated Annual Report FY 2024-25 for details on embedding sustainability in the supply chain.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

- (a) **Plastics (including packaging):** NA
- (b) **E-waste:** NA
- (c) **Hazardous waste:** NA
- (d) **other waste:** NA

The Company's product portfolio caters to the requirements of various process plants and other industries, contributing less than 10% of total revenue. These products are complex and large equipment with a long lifetime, typically 15-20 years. The Company does not manufacture or sell any products that can be reclaimed at the end of their life cycle. However, for internal operations, the Company has implemented processes for waste management, including segregation, recycling, reuse, and disposal, as applicable for each category of waste, in compliance with relevant regulations.

- 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR Rules, mandated by the Ministry of Environment, Forest, and Climate Change (MoEFCC), have been amended to extend the coverage of the Rules to importers also. The Company imports certain materials and there is a possibility of waste generation, e.g. plastic waste from packaging of imported materials, e-waste from imported electronic or electrical items and battery waste from imported batteries or equipment containing batteries to fulfil the contractual requirements with the clients. The Company has obtained registration as an importer under the EPR Rules for all three waste categories and implemented systems and processes to comply with the EPR Rules. Returns under the EPR Rules are filed with the Central Pollution Control Board annually.

LEADERSHIP INDICATORS

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Product portfolio constitutes less than 10% of the Company's revenue. In the past, LCA has been carried out by Heavy Engineering business of the Company.

- 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
	Not applicable	

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
Fly ash and Ground Granulated Blast-furnace Slag (GGBS) in place of Cement	8.8%	8.7%

The data reported above is based on the procurement value as a percentage of total bulk material procured (fly ash, GGBS and cement). Based on quantity (weight), the percentage of fly ash and GGBS used in place of cement is 13%. IS or other relevant codes prescribe limits of using fly ash and GGBS based on concrete use and requirements of the structure. While the Company tries to maximise use of recycled (waste) materials, the design mix of concrete and approval for use of the same in the project is controlled by the clients.

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Particulars	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

'Not applicable' for the Company; reason stated in Question 3 of Essential Indicators under Principle 2.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. **Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health Insurance Number (B)	Health Insurance % (B/A) (C)	Accident Insurance Number (D)	Accident Insurance % (C/A) (E)	Maternity Benefits Number (F)	Maternity Benefits % (D/A) (G)	Paternity Benefits Number (H)	Paternity Benefits % (E/A) (I)	Day Care Facilities ⁴ Number (J)	Day Care Facilities ⁴ % (F/A) (K)
Permanent Employees											
Male	47,747	47,747	100%	47,747	100%	Not applicable		0	0	12,762	26.7%
Female	4,758	4,758	100%	4,758	100%	4,758	100%	Not applicable		4,758	100%
Total	52,505	52,505	100%	52,505	100%	4,758	100%	0	0	17,520	33.4%
Other than Permanent Employees											
Male	3,753	3,753	100%	3,753	100%	Not applicable		0	0	1,693	45%
Female	207	207	100%	207	100%	207	100%	Not applicable		207	100%
Total	3,960	3,960	100%	3,960	100%	207	100%	0	0	1,900	48%

³ The Company does not have a paternity leave policy.

⁴ Data is based on the coverage of creche/day care facility available to the employees in a particular location and not as per usage/availing of creche facility. In case creche facility is not available, creche allowance is provided to female employees (permanent and non permanent) and permanent female workers.

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health Insurance Number (B)	Health Insurance % (B/A) (C)	Accident Insurance Number (D)	Accident Insurance % (C/A) (E)	Maternity Benefits Number (F)	Maternity Benefits % (D/A) (G)	Paternity Benefits Number (H)	Paternity Benefits % (E/A) (I)	Day Care Facilities Number (J)	Day Care Facilities % (F/A) (K)
Permanent Workers											
Male	2,084	2,084	100%	2,084	100%	Not applicable		0	0	1,495	72%
Female	7	7	100%	7	100%	7	100%	Not applicable		7	100%
Total	2,091	2,091	100%	2,091	100%	7	100%	0	0	1,502	72%
Other than Permanent Workers											
Male	3,52,339	2,66,930	76%	3,52,339	100%	Not applicable		0	0	9,121	3%
Female	2,076	1,030	50%	2,076	100%	2,076	100%	Not applicable		364	18%
Total	3,54,415	2,67,960	76%	3,54,415	100%	2,076	100%	0	0	9,485	3%

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.**

The Company is dedicated to ensuring the comprehensive well-being of its employees and workers through a blend of statutory and voluntary welfare measures. These initiatives focus on enhancing physical health, mental and emotional well-being, financial security, work-life balance, and opportunities for professional development. Expenditures related to protective gear and safety equipment are not itemised separately, as these are part of any activity or operations that are carried out. They are encompassed within broader contract or business expenditure categories.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024, and the clarifications issued through the Industry Standards Note on BRSR Core, the methodology for disclosing expenditure on employee well-being has been recalibrated for FY 2024–25.

The table below presents the total cost incurred on employee well-being measures for the past two financial years. These include measures such as medical and health insurance, medical benefits, staff welfare, workmen compensation, canteen & food expenses, and safety related spend. Notably, salary disbursed during maternity leave availed in FY 2024–25 has also been included in the well-being spend for the current reporting period. It is important to note that the well-being expenditure reported for FY 2023–24 included additional cost heads beyond the aforementioned measures, leading to a difference in year-on-year comparability.

Particulars	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	0.49% [~ ₹ 700 Cr]	0.73% [~ ₹ 927.3 Cr]

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is dedicated to promoting an inclusive and accessible work environment in accordance with the Rights of Persons with Disabilities Act, 2016. Most of the premises are equipped to accommodate differently abled employees and workers, featuring facilities such as ramps, elevators with accessibility features.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is committed to providing equal opportunities in employment and fostering an inclusive work environment, in line with the Rights of Persons with Disabilities Act, 2016. The Company's Equal Opportunity Policy, available at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>, outlines the guiding principles for ensuring equal and equitable opportunities for all employees and workers, while upholding the highest standards of ethics, values and governance across people practices.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers⁵	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male			Not applicable	
Female	91%	77%	0	0
Total	91%	77%	0	0

⁵ Permanent female workers are also entitled to extended maternity leave and related benefits, though none of them availed during the FY.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Particulars	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	Registration and redressal are done through worker union or Joint Management Council or Complaints and Grievance Committee.

Particulars	Yes/No	If Yes, then give details of the mechanism in brief
Other than Permanent Workers	Yes	<p>With a workforce of over 3,54,000 contractual workers, they are recognised as critical yet vulnerable stakeholders for the business. Workers may raise grievances individually or collectively through a representative, covering matters related to working conditions, living conditions at labour colonies, wage-related issues, or any other employment-related concerns.</p> <p>For manufacturing facilities, there are contract labour management cells or industrial relations functions who look after the overall well-being of workers. Industrial Relations (IR) department periodically meet contractors and contract workers to understand and mitigate their grievances. Records are maintained and periodically reviewed by the senior management. Two of the key manufacturing facilities are also certified with SA8000 and adhere to the provisions of the standard. There are workers representative committees as well to ensure fair representation, who hold meetings in collaboration with the management representative and focus on grievances and needs of the workers.</p> <p>For EPC project sites, any project location or establishment with 20 or more workers has a Grievance Redressal Officer (GRO), nominated by the Project Manager from among personnel in key functions (Project Accounts, Administration, or Safety) and is duly communicated to the relevant stakeholders (Admin/Industrial Relations/Accounts heads). The mechanism includes the following steps: registration of grievance, investigation, resolution within a specified timeline, escalation (if necessary), feedback collection, closure, record-keeping, reporting, and periodic reviews and audits. Over 500 GROs have been appointed across project sites to facilitate grievance registration, timely resolution, management of escalations, case closure, and reporting. In addition to traditional oral and written channels, a toll-free number, operational 24x7, is available for workers to register grievances. This initiative ensures a fair, transparent, and accessible grievance resolution process, promoting equal and fair treatment for all workers.</p>
Permanent Employees	Yes	<p>The Company has a digital platform, HEERA, as the primary channel for addressing employee grievances. Employees may raise grievances related to work environment, working relationships, workplace conditions, salary and compensation matters, claims settlement, reimbursement and recovery of dues, leave management, medical insurance and policy issues, inconsistencies in policy implementation, violations of the Code of Conduct, or any other matter impacting employment.</p> <p>Employees are encouraged to initially seek grievance resolution through discussions with their Immediate Supervisors. In the absence of an Immediate Supervisor, grievances may be escalated to the next level supervisor. If satisfactory resolution is not achieved, employees may register their grievance through HEERA to raise a grievance ticket for formal resolution. Designated HR Officers are responsible for resolving the grievances. Based on the severity and complexity of the grievance, resolution timelines and escalation procedures are defined to ensure timely and effective redressal.</p>
Other than Permanent Employees	Yes	Grievances are submitted to respective HR coordinators who are responsible for resolution.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Permanent Employees	52,505	0	0%	52,224	0	0%
- Male	47,747	0	0%	48,019	0	0%
- Female	4,758	0	0%	4,205	0	0%
Permanent Workers	2,091	2091	100%	2,079	2,079	100%
- Male	2,084	2,084	100%	2,073	2,073	100%
- Female	7	7	100%	6	6	100%

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation*		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	51,500	23,735	46%	56,650	100%	52,812	21,692	41 %	52,462	99%
Female	4,965	2,481	50%	5,462	100%	4,453	2,197	49%	5,837	100%
Total	56,465	26,216	46%	62,112	100%	57,265	23,889	42%	58,299	100%
Workers										
Male	3,54,423	4,69,407*	100%	1,11,066	31%	3,47,360	3,91,715	100%	90,802	26%
Female	2,083	1,244	60%	233	11%	2,813	1,284	46%	135	5%
Total	3,56,506	4,70,651*	100%	1,11,299	31%	3,50,173	3,92,999	100%	90,937	26%

*As on March 31, 2025, the number of trainings conducted are higher than the number of employees and workers due to the attrition and new joinees.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	47,747	47,747	100%	48,019	48,019	100%
Female	4,758	4,758	100%	4,205	4,205	100%
Total	52,505	52,505	100%	52,224	52,224	100%
Workers						
Male	2,084	2,084	100%	2,073	2,073	100%
Female	7	7	100%	6	6	100%
Total	2,091	2,091	100%	2,079	2,079	100%

10. Health and safety Management systems:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company's commitment to health and safety extends beyond regulatory compliance and is focused on ensuring the well-being of all stakeholders. All Company work locations — including EPC project sites, manufacturing facilities, and offices — are covered under a comprehensive Occupational Health and Safety (OHS) Management System. The system covers not only permanent employees and workers but also non-permanent employees and contractual workers.

To implement the Company's 'Mission Zero Harm' and the Corporate EHS Policy, an EHS Management System has been established in alignment with ISO 45001:2018 standards. The Management System provides a structured framework for the assessment and management of EHS risks and supports continuous improvement in performance.

The effectiveness of the system is further validated through assessments conducted by third-party assurance agencies such as DNV and TUV, and it is certified to meet the requirements of applicable standards, including ISO 45001:2018.

For details on safety and related disclosures, please refer to 'Human Capital' section of the Integrated Annual Report FY 2024-25.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Hazard Identification and Risk Assessment (HIRA) forms a key component of the Company's EHS Management System. The HIRA process begins with listing all activities and processes at a given location, followed by the identification and mapping of associated hazards. Typical inputs for hazard identification include process flow

diagrams, job hazard analyses, historical incidents and near-miss records, material information sheets, and activity mappings, covering both routine and non-routine operations. Risk Assessment involves two stages:

- Risk Analysis: Assessment of the likelihood of hazards causing impact and the level of exposure to such hazards.
- Risk Evaluation: Analysis of the probability and severity of risks to assign risk ratings.

Based on the risk severity, appropriate mitigation measures are designed and implemented. The HIRA process actively involves relevant stakeholders, including design engineers, construction engineers, planning functions, EHS team members, and workers, to ensure comprehensive risk assessment and effective mitigation.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

The Company actively engages workers in its EHS Management System by identifying and deploying safety-conscious workers at various work locations. These workers are responsible for identifying and reporting hazards, enabling immediate corrective actions. A 'Pre-Start Verification' and daily briefing are conducted before the commencement of work each day to ensure that the safety risks associated with daily tasks are assessed and site conditions are verified for compliance with Risk Assessments and Safe Work Methods.

Each work location has a Site EHS Committee, comprising key stakeholders, including worker representatives. During the monthly committee meetings, worker representatives are encouraged to actively participate, highlight any hazards or risks encountered, and collaborate on identifying possible mitigation measures. This structured engagement ensures that frontline perspectives are incorporated into the Company's EHS risk management and continuous improvement initiatives.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

The Company is committed to ensuring the health and well-being of its employees and workers through comprehensive medical services and well-being programmes. In addition to first aid and emergency services, the Company has implemented various initiatives to address both occupational and non-occupational health needs.

- **First Aid and Emergency Services:** Available for both employees and workers at all work locations.
- **Medical Centres:** On-site medical centres assist in managing non-occupational medical cases in addition to occupational health services.
- **Tie-ups with Local Hospitals:** Location-specific agreements with nearby hospitals and nursing homes ensure prioritised access to medical facilities.
- **Mental Health and Non-Occupational Health programmes:** These include annual health-checkups, special check-up drives (e.g., blood sugar, HbA1c monitoring, cancer), vaccination drives such as flu, pneumococcal, cervical, campaigns such as Freedom from Diabetes, and health advisories from medical teams.

11. Details of safety related incidents, in the following format:

The statistics below include employees and workers located in project sites and manufacturing facilities.

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.04	0.04
	Workers	0.12	0.07
Total recordable work-related injuries	Employees	5	6
	Workers	116	79
Number of fatalities	Employees	1	0
	Workers	33	23
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	Workers	8	1

'Mission Zero Harm' is the Company's guiding principle for safety performance. However, it is with regret the Company reports an increase in fatalities during FY 2024-25. The Company has treated this as a critical issue requiring immediate

attention. A thorough investigation was conducted into all incidents. To address the shortfalls in processes and enhance the systems, the Company has implemented several corrective actions during FY 2024-25 and which are elaborated under Q 15 in this section. The Company is fully committed to improving safety performance and ensuring a safer workplace for all employees and workers.

For details on safety management systems and processes, please refer to 'Human Capital' section of the Integrated Annual Report FY 2024-25.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

'Mission Zero Harm' is the goal of the Company for health and safety, embedded within the Corporate EHS Policy. This policy guides the formulation of processes and systems to ensure a safe and healthy work environment. The EHS Management System has been implemented at all work locations, designed in accordance with ISO 14001 and ISO 45001 standards, that are audited and verified through third-party certification agencies. This ensures that proper systems and processes are in place, which are continuously improved upon. As part of the EHS Management System, each work location develops a location-specific EHS plan to proactively manage and mitigate risks. While the implementation of these systems is the responsibility of all individuals at the location, key teams such as EHS, HR, Admin, and Medical are central to ensuring compliance with safety and health requirements.

To strengthen these processes, internal audits are conducted at multiple levels by the business units, inter-business teams, and external auditors or accredited third-party agencies. For high-priority project sites, audit frequency and depth are enhanced based on the specific risk profile of the location.

The Company has embraced digital systems and applications to reduce manual efforts in tracking observations, monitoring performance, and conducting data analytics. Technologies like AR/VR are also leveraged to enhance training and safety awareness for employees and workers. Additional measures taken to enhance safety standards include:

- HSE Surveillance Rating implementation
- Knowledge Management, including capturing of lessons learned and hosting special sessions by Subject Matter Experts (SMEs)
- Behaviour-based safety systems
- Specialised training modules for high-risk activities

13. Number of Complaints on the following made by employees and workers:

Benefits	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	143	NIL	–	117	NIL	
Health & Safety	47	NIL	–	135	NIL	

14. Assessments for the year:

	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	The business units of the Company are certified by independent third parties on ISO 45001:2018 standards. These units undergo periodic external audits to ensure adherence to safety protocols and verify compliance with applicable standards and guidelines. In addition to EHS certifications, key manufacturing facilities are also certified under SA 8000 standards, a globally recognised certification programme focusing on human rights and labour management.
Working Conditions	Furthermore, each year, internal self-assessment is conducted across manufacturing plants and projects to identify potential human rights risks including health and safety management systems and working conditions. This involves cross-functional teams including Admin, Industrial Relations, project management, HR, and EHS managers.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The EHS Council is the apex committee responsible for monitoring the Company's health and safety performance and identifying areas for continuous improvement. Incident investigation reports, particularly for fatalities or major incidents (such as lost time injuries), are reviewed in council meetings to identify gaps in current systems and processes, with corrective actions being determined and closely monitored.

In response to recent unfortunate deterioration in safety performance, the Company has introduced several initiatives this year to address the identified challenges, including:

1. **Serious Incident Review Committee (SIRC):** A committee consisting of the Chairman and Managing Director (CMD), the EHS Council head, and senior management from the relevant business units has been established to review all severe incidents and initiate corrective actions to prevent recurrence.
2. **Designated Incident Investigators:** 40 EHS professionals across all businesses were trained for 5 days TapRoot Course on Incident investigation. They have been appointed as 'Zonal Incident Investigators' and designated for conducting detailed incident investigations and submit the report to SIRC within 72 hours.
3. **Reward and Penalty System:** A reward and penalty system has been implemented for the EPC projects business. Business units achieving safety performance above targets will receive a fixed monetary reward, while units failing to meet targets will incur a fixed penalty. This system also influences the annual performance linked rewards or bonuses for employees.
4. **Orange Helmets for New workers:** New workers are required to wear orange helmets for the first six weeks of employment. After this period, they undergo re-induction and assessment before continuing their work.
5. **Revamped Onboarding Process for Contractual workers:** The onboarding process for contractual workers has been overhauled to include the identification of pre-existing medical conditions and a full medical history assessment to better identify and mitigate potential risks.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of

a. **Employees (Y/N):** Yes

b. **Workers (Y/N):** Yes

The Company is committed to safeguarding the financial well-being of its employees and workers through comprehensive insurance coverage.

- **Life Insurance:** All employees are covered under a term life insurance policy arranged by the Company, offering financial protection to their dependents in the event of an untimely demise.
- **Health Insurance (mediclaim):** To cover medical expenses, employees and eligible workers are enrolled under a Mediclaim policy providing health insurance benefits.
- **Non-Permanent workers:** In the unfortunate event of a fatality involving non-permanent (contractual) worker, the Company ensures compensatory payments are made in line with applicable laws and regulations. Additional support measures are also extended on a case-by-case basis, reflecting the Company's commitment to worker welfare.

The Company regularly reviews and updates its insurance coverage and compensatory practices to align with evolving business needs and regulatory frameworks.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues from the value chain partners i.e., contract workers and supply chain partners, are deposited on time. Proof of payment or record of statutory dues paid by the subcontractors e.g., records for Provident Fund (PF) deposit for workers are maintained. GST payment by the suppliers is matched through GST portal to ensure compliance, amongst other controls.

- 3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Benefits	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	1	1	0	0
Workers	41	24	0	0

- 4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, the Company provides transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement on merit.

- 5. Details on assessment of value chain partners:**

	Percentage of value chain partners (by value of business done) that were assessed
Health and safety practices	In line with its commitment to promoting sustainability across the value chain, the Company had identified 120 critical supply chain partners to undergo ESG assessment during the year, contributing to 23% of the procurement by value of the Company. These supply chain partners were assessed under five modules: Governance, Ethical business practices, Human rights and labour management, Health and safety and Environment.
Working Conditions	The assessment was carried out by an independent third party through a detailed questionnaire developed in alignment with regulatory requirements, BRSR disclosure expectations, and global sustainability standards. The assessment process was conducted remotely (desktop-based) through interactions with supply chain partners and review of documents and evidence provided by them as well as, in person onsite with selected low scoring supply chain partners.
	Following the assessment, gaps identified were communicated to the respective supply chain partners along with recommendations and suggested action plans aimed at strengthening their sustainability performance and compliance.

For details of the Company's initiatives on incorporating sustainability in supply chain, please refer to 'Social and Relationship Capital' and 'Human Capital' for disclosures related to human rights in supply chain of the Integrated Annual Report FY 2024-25.

- 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No significant risks or concerns were identified from the ESG assessments conducted during the year. The Company ensures that all supply chain partners understand and formally acknowledge the Company's Code of Conduct, which is a mandatory requirement during the vendor registration and onboarding process. To further strengthen ESG awareness and compliance, training sessions were conducted for supply chain partners during the year, covering key Company policies including the Sustainable Supply Chain Policy, Sustainability Policy, Whistleblower Policy, and Code of Conduct. In instances where concerns, observations, or potential risks are identified — whether during formal assessments or through other interactions — the Company promptly initiates appropriate corrective and preventive actions to address them.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

- 1. Describe the processes for identifying key stakeholder groups of the entity.**

L&T's core businesses operate in the domains of EPC projects (Engineering, Procurement, and Construction) and Hi-Tech Manufacturing. In its pursuit of delivering long-term value, the Company seeks to balance business objectives with the needs, expectations, and interests of a diverse set of stakeholders. Stakeholder identification is carried out using well-defined parameters such as the stakeholder's influence on the business, the degree to which they are impacted by

L&T's operations and their relevance in the context of emerging ESG trends and regulations. The overview of the process followed is as:

I. Define the purpose and scope

- Determine the goal of the stakeholder identification—e.g., ESG reporting, materiality assessment, strategy development, or project-specific engagement.
- Clarify the scope (e.g., enterprise-wide, regional, or specific to a project or issue).

II. Map the Value Chain: Identify all parties directly or indirectly connected to each stage (e.g., suppliers, contractors, customers).

III. Categorise Stakeholders

- Group stakeholders into broad categories such as:
 - **Internal stakeholders:** Employees, management, board of directors, unions.
 - **External stakeholders:** Customers, suppliers, investors, regulatory bodies, NGOs, local communities, media, academia.

IV. Assess Stakeholder Influence and Impact

- Evaluate each group's:
 - **Degree of Dependency:** Stakeholders who are directly dependent on the Company's operations, or on whom the Company depends for its own functioning. Examples: customers, Government (as clients), employees (including workers), supply chain partners, investors
 - **Degree of Responsibility:** Stakeholders to whom the Company has, or may have in the future, legal, commercial, operational, or ethical/moral responsibilities. Examples: communities, shareholders
 - **Sphere of Influence:** Stakeholders who can have a direct or indirect impact on L&T's strategic decisions and business operations. Examples: senior management and leadership, regulatory bodies
 - **Diverse Perspectives:** Stakeholders who offer broader insights or diverse viewpoints that enhance understanding of national and global affairs. Examples: media, NGO partners

V. Review ESG and Regulatory Frameworks: Align with global standards to ensure relevant stakeholder categories are considered.

VI. Incorporate Stakeholder Feedback

- Use surveys, interviews, workshops, or forums to validate and refine the list of stakeholders.
- Incorporate insights from past engagements or grievance mechanisms.

VII. Continuously Monitor and Update: Reassess stakeholder groups periodically to capture changes due to new projects, market conditions, social dynamics, or regulatory shifts.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

The key stakeholders of the Company are customers (Government bodies, public sector entities and private sector firms), employees and workers, supply chain partners, shareholders and investors, communities and NGO partners, regulatory bodies and media. *The details are covered in the 'Driving Stakeholder Engagement' section of the Integrated Annual Report FY 2024-25.*

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

L&T has implemented a comprehensive governance framework to effectively manage and monitor ESG (Environmental, Social, and Governance) areas. To support this, several committees have been established, including the CSR &

Sustainability Committee, Risk Management Committee, and Stakeholders' Relationship Committee at the Board level, all chaired by Independent Directors. Additionally, management level committees such as the EHS (Environment, Health and Safety) Council, Material Council, and Quality Council focus on specific areas of concern. Each committee operates according to its defined terms of reference and meets regularly to review the Company's performance in their respective domains. Insights, performance updates, concerns, and issues related to ESG are gathered from these committee reviews and presented to the Board during its quarterly meetings. L&T also conducts structured stakeholder engagement exercises on ESG topics, ensuring regular interaction with key stakeholders. These engagements follow a systematic approach with clearly defined frequency, delegation, and reporting protocols. The feedback and outcomes from these exercises are formally communicated to the Board for informed decision-making and enhanced alignment with stakeholder expectations.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Stakeholder consultation plays a crucial role in identifying and managing environmental and social topics. The Company engages with a wide range of stakeholders, including employees, investors, local communities, regulatory bodies, NGOs, suppliers, and customers through various mechanisms such as surveys, meetings, focused group discussions, public consultations, and stakeholder forums. A few examples of incorporating stakeholders' inputs in the policies and processes are:

1. Environmental topics:

- **Climate Action and Energy Transition:**
 - Customers and investors encouraged greater climate-related disclosures aligned with TCFD.
 - As a response, L&T enhanced its climate risk reporting and set targets for Carbon Neutrality in Scope 1 and 2 emissions by 2040 (*refer to Natural Capital of the Integrated Annual Report FY 2024-25*). L&T also disclosed on CDP its environmental impact and sustainability initiatives. This disclosure underscores L&T's commitment to transparency and accountability in addressing climate change.
- **Resource Efficiency and Circularity:**
 - Employee feedback, particularly from project sites, highlighted opportunities to increase resource optimisation and efficiency.
 - Several initiatives are taken up by the employees to reduce and recycle waste, increase use of treated wastewater and so on.
- **Enhancement of Environmental Data Management (L&T-EARTH Platform):**
 - Previously, L&T managed sustainability and environmental data through a third-party service provider. However, several operational challenges were being faced including enhanced reporting requirements for BRSR and other sustainability disclosures. Based on feedback from employees managing sustainability reporting across businesses as well as other stakeholders, L&T collaborated with L&T Technology Services to develop a customised, cloud-based data platform — L&T-EARTH.
 - L&T-EARTH allows data capture at each site and location level and is scalable, modular and adaptable. It is integrated with L&T's ERP systems, automating data flow, and minimising manual entry errors. A robust maker-checker mechanism and status tracking features have been incorporated to enhance data governance and reporting quality. Future changes in reporting requirements (e.g., introduction of new ESG metrics) and analytics for decision making can be flexibly incorporated into the platform.

2. Social Topics:

- **Employee Well-being**
 - Feedback received during and after the COVID-19 pandemic highlighted a growing need for enhanced mental health support and accessible emotional wellness resources.

- L&T rolled out several well-being initiatives in the past years, covering mental health helplines, counselling sessions, enhanced insurance coverage for employees and their families, thrust on annual health check-ups and so on.
- Formulation of a structured Wellness Policy that consolidates key wellness initiatives undertaken by L&T across physical, mental, and emotional health dimensions.
 - Pilot Wellness Index Survey was conducted to assess the overall well-being of employees and identify areas of strength and improvement within the organisation.
 - Insights from the survey led to the formulation and release of a structured Wellness Policy and related initiatives.
 - Initiatives include annual 'Aarogya Mela' which was organised to provide employees access to a wide range of health screenings and diagnostic tests at one location.
- **Introduction of Menstrual Leave:**
 - Based on feedback received from female employees working at the shop floors, project sites, L&T recognised the need for a more supportive approach to women's health at the workplace.
 - Consequently, L&T introduced Menstrual Leave, allowing women employees to take a day off every month.
 - A simple, confidential process has been set up to ensure that women can avail menstrual leave with dignity and without unnecessary formalities.
- **Skill Development and Career Progression:**
 - Emphasis on the need for more structured career growth opportunities by the employees.
 - In response, L&T keeps expanding its training, learning and development programmes for continuous learning, and strengthened internal mobility policies to ensure merit-based career progression across business units.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

Vulnerable Group	Concerns	Action Taken	Impact
Farmer community in water stressed and drought prone locations	Drought, Poverty, Migration	<ul style="list-style-type: none"> ● Organised farmers community to form Village Development Committees (VDC) and Farmers Producer Organisation (FPO) ● Water made available with wastewater and conservation intervention ● Capacity building in sustainable agricultural practices ● Maintenance of water structures by the VDC along with Panchayat 	<ul style="list-style-type: none"> ● Rise in ground water table and water made available to population of 1,06,008 across 11 Integrated Community Development Programme (ICDP) locations and 8,411 hectares land protected from direct run-off in three ICDP locations ● Increase in household agricultural income ● Reverse migration
Rural population without access to proper sanitation facilities	Open defecation leading to health issues and social disgrace	<ul style="list-style-type: none"> ● Community awareness regarding making villages open defecation free (ODF) ● Construction of toilets after ensuring water availability ● Village level monitoring committee formed to ensure ODF status of the village 	<ul style="list-style-type: none"> ● 5,366 toilets constructed, and 41 villages are made ODF ● Women felt safe to use household toilet and saved from embarrassment and social disgrace

Vulnerable Group	Concerns	Action Taken	Impact
Disadvantaged rural women	Gender related issues viz. no decision-making power in household and community related issues	<ul style="list-style-type: none"> Women were part of need assessment, and their critical concerns were prioritised Village level women groups formed and organised in Self Help Groups (SHGs) Ensured equal representation of women in VDCs and community level decision making 	<ul style="list-style-type: none"> 305 SHGs formed in three ICDP locations with ₹ 191.6 lakh savings Women are assuming community leadership positions e.g. president of VDC, FPO formed with all women board members
Underprivileged community from urban and peri-urban areas	<p>Unaffordable and inaccessible health services</p> <p>Patients cannot afford the dialysis treatment in private hospitals</p> <p>Unskilled, unemployed youth</p> <p>Unemployed youth trained in L&T's Construction Skills Training Institutes and facilitation for job placements</p>	<ul style="list-style-type: none"> Affordable general health services along with consultations in specialised clinics provided through nine health centres across India and mobile health vans Provision of dialysis services at a concessional rate 	<ul style="list-style-type: none"> beneficiaries who benefitted from the services Dialysis patients taking regular treatment at the L&T health centre
Students in tribal/ rural schools or urban resource poor schools	Students have difficulties in learning science and maths subjects and no access to digital and hands on education	Providing Science, Technology, Engineering and Maths (STEM) kits for hands on learning in science and maths and use of digital infrastructure, digital content mapped to the curriculum and training to teachers to conduct classes using digital media	In 2024, trained 12,594 youth and achieved 72% placement rate.
School students without access to clean toilets	School toilets dilapidated or not functional	Constructed toilet blocks in the schools for students	Increase in attendance of girls

Principle 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A) ⁶	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	52,505	57,756	100%	52,224	21,646	41%
Other than permanent	3,960	4,344	100%	5,041	5,873	100%
Total Employees	56,465	62,100	100%	57,265	27,519	48%
Workers						
Permanent	2,091	2,091	100%	2,079	2,079	100%
Other than permanent	3,54,415	3,54,415	100%	3,48,094	3,48,094	100%
Total Workers	3,56,506	3,56,506	100%	3,50,173	3,50,173	100%

⁶ As on March 31, 2025, the number of trainings conducted are higher than the number of employees and workers due to the attrition and new joinees.

During the year, the Company introduced a dedicated training module to enhance employee awareness of human rights. Additionally, various awareness sessions are conducted for workers, covering human rights aspects. For instance, induction and toolbox talks are mandatory for all workers joining any site, location, or project. The process includes, but is not limited to, topics such as wage breakdown, PF deduction, health and safety, account creation for wage deposits and KYC procedures.

Furthermore, systems are in place to ensure compliance with child labour laws (e.g. submission of Aadhaar card as proof of age) and to prevent forced labour through proof of employment (e.g. wage slips, issuance of gate passes/ID cards). Daily toolbox talks also address some of these aspects, in addition to job-specific roles. Key manufacturing facilities of the Company are SA 8000 certified by independent third-party certification agencies, covering elements such as child labour, forced labour, discrimination, working hours, remuneration, freedom of association and grievance redressal mechanisms. Please refer to 'Human Capital' chapter of the Integrated Annual Report FY2024-25 for more information on human rights.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	52,505	—	—	52,505	100%	52,224	—	—	52,224	100%
Male	47,747	—	—	47,747	100%	48,019	—	—	48,019	100%
Female	4,758	—	—	4,758	100%	4,205	—	—	4,205	100%
Other than permanent	3,960	—	—	3,960	100%	5,041	—	—	5,041	100%
Male	3,753	—	—	3,753	100%	4,793	—	—	4,793	100%
Female	207	—	—	207	100%	248	—	—	248	100%
Workers										
Permanent	2,091	—	—	2,091	100%	2,079	—	—	2,079	100%
Male	2,084	—	—	2,084	100%	2,073	—	—	2,073	100%
Female	7	—	—	7	100%	6	—	—	6	100%
Other than permanent	3,54,415	2,87,585	81%	66,830	19%	3,48,094	3,04,005	87%	44,088	13%
Male	3,52,339	2,85,897	81%	66,442	19%	3,45,287	3,01,677	87%	43,609	13%
Female	2,076	1,688	81%	388	19%	2,807	2,328	83%	479	17%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) - Whole Time Directors	6	27,59,55,854	0	0
Key Managerial Personnel (KMP)	1	1,84,99,632	0	0
Employees other than BoD and KMP	51,493	11,29,359	4,965	7,14,566
Workers	2,084	9,40,007	7	13,57,077

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages [employees including permanent and other than permanent categories, and permanent worker]	5.7%	5.4%
Gross wages paid to females as % of total wages [other than permanent/contract workers]	0.2%	Not tracked and reported

In FY 2023–24 and FY 2024–25, wages reported are for employees (both permanent and non-permanent) and permanent workers. Given that the Company has computed the values based on CTC, this includes retirement benefits as well.

The Company engages contractors under two primary categories: service contracts and manpower contracts, with service contracts comprising over 70% of total engagements. For service contracts, while the Company does not directly monitor or record wages paid by contractors, it ensures adherence to all statutory compliances mandated for such engagements. Additionally, in certain service contracts, subcontractors independently obtain labour licenses and undertake the necessary statutory filings under the Contract Labour (Regulation and Abolition) Act (CLRA). In the case of manpower contracts, the Company maintains direct oversight of the workers deployed at its sites. Consequently, such data may not be reflected in the Company's CLRA reporting.

For FY 2024-25, data has been sourced from the filings under the CLRA for the calendar year 2024 (January to December). These filings cover both service and manpower contracts, and include disclosures on wages paid to female workers categorized as 'other than permanent' (i.e., contractual).

The data collation process currently remains largely manual, and there are gaps in the supporting evidence submitted by contractors to substantiate the figures reported in the Company's CLRA filings. Furthermore, since wage data is primarily available on a calendar-year basis, it does not align with the financial year reporting period, posing challenges in reconciliation. The Company is actively working on strengthening its wage reporting mechanisms to improve accuracy and alignment in future disclosures.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Chief Human Resources Officer is the focal point for human rights related issues at the Company level. For implementation across the sites and manufacturing plants, designated personnel from IR/Admin/EHS functions are responsible for human rights and labour management. At business level, IR/Admin Heads of respective businesses are the focal points supported by HR heads.

For details on the governance and management processes related to Human Rights, please refer to 'Human Capital' chapter of the Integrated Annual Report FY 2024-25.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Respect for and commitment to human rights are fundamental components of the Company's Code of Conduct for employees. Any violations of the Code of Conduct are to be reported to the first-level reporting authority, who is responsible for investigating the matter and taking appropriate action. If the violation involves the first-level reporting authority, the issue is escalated to the second-level reporting authority. In cases where a violation is deemed severe, it is referred to the Whistleblower Investigation Committee for further action within a reasonable timeframe.

The Company is dedicated to fostering a safe and inclusive workplace, free from any form of sexual harassment. To this end, a comprehensive Policy for the Protection of Women's Rights at the Workplace has been established, in alignment with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). This policy applies to all employees, workers, and contract workers across all L&T establishments in India, and extends protection to visitors, including clients, customers, third-party contractors, vendors, suppliers, and business representatives.

In instances where sexual harassment arises due to the actions of third parties, the Company takes all necessary reasonable steps to support the affected individuals. To ensure full compliance with the POSH Act, Internal Complaints Committees (ICCs) have been constituted across various administrative units. The ICCs are responsible for registering complaints, conducting investigations, concluding proceedings, and recommending redressal measures. The recommendations of the ICCs are implemented by the Company. They also regularly organise workshops and awareness sessions to promote a harassment-free workplace.

Additionally, two Apex Committees have been established at the highest organizational level, comprising representatives from various ICCs and senior leadership, to oversee the implementation and compliance of the POSH Act across the Company.

The Company has implemented a structured whistleblower mechanism that encourages employees and vendors to report any unethical behaviour, improper practices, misconduct, violations of legal or regulatory requirements, or instances of unfair treatment that could negatively impact the Company's operations, performance, or reputation, without fear of

retaliation. Reports are investigated impartially, and appropriate corrective actions are taken to uphold the Company's standards of ethical and professional conduct.

For details on the governance and management processes related to Human Rights, please refer to 'Human Capital' chapter of the Integrated Annual Report FY 2024-25.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	12	1	Complaints registered and redressed under the POSH Act	3	2	Complaints registered and redressed under the POSH Act
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

For FY 2024-25, one case was received in the last week of the financial year and investigation is ongoing, and one case was not upheld. Two cases from previous financial year have been upheld and redressed as per the POSH Act.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2024-25	FY 2023-24
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	12	3
Complaints on POSH as a % of female employees / workers ⁷	0.17%	0.04%
Complaints on POSH upheld	10	1

⁷ Covers females based in India, both employee and worker (permanent and other than permanent) categories.

For FY 2024-25, one POSH case was received in the last week of the financial year and investigation is ongoing, and one case was not upheld. Two cases from previous financial year have been upheld and redressed as per the POSH Act.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The mechanism has been covered in the answer to the Question 5 in this section. The Company has adopted a comprehensive Code of Conduct applicable to all employees, senior management, and Board members, outlining the standards of ethical behaviour and professional conduct expected at all levels. All violations of the Code of Conduct should be reported according to the Reporting Matrix embedded within the policy framework. The Code of Conduct also details the grievance redressal process and prescribes preventive and corrective measures to uphold the Company's commitment to ethical business practices.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No).

Yes, human rights requirements are integral to the business agreements and contracts. The Company's Code of Conduct for suppliers emphasises a commitment to Human Rights, Labour Standards and societal well-being, aligning with internationally recognised frameworks such as the UN Global Compact Principles and the ILO. All supply chain partners are required to understand, acknowledge and adhere to the norms set forth in the Code of Conduct. Signing the Code of Conduct is a mandatory prerequisite during the vendor onboarding process, affirming their commitment to responsible and ethical business practices. It covers key aspects including fair and safe working conditions, occupational health and safety, prohibition of child labour, forced or compulsory labour, non-discrimination, payment of fair wages, and a zero-tolerance approach towards harassment and abuse.

Additionally, compliance with applicable regulatory requirements — including health and quality standards, statutory wage payments, PF deductions and other labour-related obligations — is formally integrated into all supplier agreements and contractual obligations.

10. Assessments for the year:

Particulars	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The key manufacturing plants are certified under SA 8000 standards, a globally recognised certification programme focusing on human rights and labour management.
Forced/involuntary labour	
Sexual harassment	Furthermore, each year, an internal self-assessment is conducted across manufacturing plants, offices and projects to identify potential human rights risks including health and safety management systems and working conditions. This involves cross-functional teams including Admin, Industrial Relations (IR), project management, HR, and EHS managers.
Discrimination at workplace	
Wages	
Others - please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risks/concerns arose that required any corrective actions with respect to human rights related issues.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Though there were no complaints received in FY2024-25 related to human rights, the grievance redressal mechanism has been strengthened for the contractual workers. *The details of the mechanism have already been discussed in Section A 'VII. Transparency and disclosures compliances.'*

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company's human rights due diligence framework covers the contractual workers and encompasses its operational footprint, including EPC project sites, manufacturing facilities, and offices. This assessment evaluates compliance with human rights principles, focusing on the prevention of child labour, elimination of forced or involuntary labour, payment of fair and timely wages, prevention of sexual harassment, eradication of modern slavery practices, promotion of non-discrimination, assurance of safe and healthy working conditions, and provision of accessible grievance redressal mechanisms.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is committed to fostering an inclusive and accessible work environment in accordance with the Rights of Persons with Disabilities Act, 2016. Most of our premises are equipped to accommodate differently-abled employees and workers, featuring facilities such as ramps and elevators with accessibility features.

4. Details on assessment of value chain partners:

Particulars	Percentage of value chain partners (by value of business done with such partners) that were assessed
Child labour	In line with its commitment to promoting sustainability across the value chain, the Company had identified and assessed 120 critical supply chain partners during the year, contributing to 23% of the procurement of the Company. These supply chain partners were assessed under five modules: Governance, Ethical business practices, Human rights and labour management, Health & Safety and Environment.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	The assessment was carried out by an independent third party through a detailed questionnaire developed in alignment with regulatory requirements, BRSR disclosure expectations, and global sustainability standards. The assessment process was conducted remotely (desktop-based) through interactions with supply chain partners and review of documents and evidence provided by them as well as, in person onsite with selected low scoring supply chain partners. Following the assessment, gaps identified were communicated to the respective supply chain partners along with recommendations and suggested action plans aimed at strengthening their sustainability performance and compliance.

Particulars	Percentage of value chain partners (by value of business done with such partners) that were assessed
<i>For details of the Company's initiatives on incorporating sustainability in supply chain, please refer to 'Social and Relationship Capital' and 'Human Capital' for disclosures related to human rights in supply chain of the Integrated Annual Report FY 2024-25.</i>	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No significant human rights risks or concerns were identified through the assessment during the reporting year. The Company ensures that all supply chain partners engaged are made aware of and formally agree to the Company's Code of Conduct, which is a mandatory requirement during the vendor registration and onboarding process.

If any concern or risk arises during the year—whether identified through formal assessments or otherwise—the Company undertakes appropriate corrective and preventive actions to address and mitigate the issue.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25	FY 2023-24
From renewable sources (in Gigajoules)		
Total electricity consumption (A)	2,48,561	1,55,046
Total fuel consumption (B)	64,882	38,552
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	3,13,443	1,93,598
From non-renewable sources (in Gigajoules)		
Total electricity consumption (D)	14,10,297	15,29,592
Total fuel consumption (E)	82,06,677	87,64,602
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	96,16,974	1,02,94,194
Total energy consumed (A+B+C+D+E+F) (in Gigajoules)	99,30,417	1,04,87,792
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (in GJ/₹ Cr)	69.7	83.1
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (in GJ/PPP Mn USD)	144	186.1

IMF PPP conversion rate (22.4), available for March 2024, was used for total income PPP adjusted value for FY 2023-24. IMF had revised the PPP methodology and PPP conversion rate in October 2024. For FY 2024-25, latest IMF PPP conversion rate (20.66) has been used.

Energy intensity decreased by 16% compared to FY 2023-24. This reduction was due to:

- i. Transition from DG sets to grid connections, e.g., rail line tunnel projects in Uttarakhand, metro rail projects in some cities.
- ii. Closed or approaching closure of some large contracts, e.g., contract related to dedicated freight corridor project, water treatment project in Middle East, project related to offshore oil & gas facilities.
- iii. Other initiatives taken by taskforce for reducing diesel consumption

Please refer to 'Natural Capital' section and 'Reducing Energy Intensity' sub-section of Integrated Annual Report FY 2024-25.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, data has been assured by Deloitte Haskins & Sells LLP. The assurance statement is provided at the end of BRSR report section in Integrated Annual Report FY 2024-25.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)

No, the Company does not have any site or facility identified as designated consumers (DCs) under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	25,73,331	23,14,470
(ii) Groundwater	88,15,932	78,73,240
(iii) Third party water	5,85,735	20,53,537
(iv) Seawater / desalinated water	2,920	7,344
(v) Others	78,40,556	38,76,733
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,98,18,474	1,61,25,324
Total volume of water consumption (in kilolitres)	1,54,31,695	1,28,76,481
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations) (in kilolitres/₹ Cr)	108.3	102
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (in kilolitres/PPP Mn USD)	223.7	228.5

IMF PPP conversion rate (22.4), available for March 2024, was used for total income PPP adjusted value for FY 2023-24. IMF had revised the PPP methodology and PPP conversion rate in October 2024. For FY 2024-25, latest IMF PPP conversion rate (20.66) has been used.

In FY 2024-25, the Company has made significant improvement in capturing and managing data related to water by rolling out redesigned Standard Operating Procedures (SOPs), by implementing a new data management platform (L&T-EARTH) with checks and analytics, and by installing flowmeters at various sites, with automatic data capturing. The Company has adopted a hybrid approach, direct measurement through flowmeters at some locations, and estimation method in other locations. For estimation-based data, domestic water requirement is estimated based on National Building Code of India (NBC 2016) and industrial water requirement is estimated based on production volumes of activity at the respective site and volume of water per unit of production. However, the Company has more than 700 active work locations (EPC project sites), and this presents a significant challenge in consistent SOP implementation for water data measurement due to open system, multiple consumption, reuse and discharge points. Additionally, inadequate understanding at some sites results in certain inconsistencies e.g., water balance not being met while reporting the data. The Company intends to address these gaps and undertake uniform implementation of the SOPs along with other changes, as necessary, to ensure accurate water data measurement and reporting.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, data has been assured by Deloitte Haskins & Sells LLP. The assurance statement is provided at the end of BRSR report section in Integrated Annual Report FY 2024-25.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharged by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	8,51,608 (Primary: 4,61,235) (Secondary: 2,88,964) (Tertiary: 1,01,409)	5,26,691 (Primary: 5,26,691)
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	8,64,124 (Primary: 8,55,896) (Secondary: 8,228)	10,91,480 (Primary: 10,91,480)
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	32,417 (Primary: 72) (Secondary: 32,345)	16,448 (Secondary: 16,448)
(iv) Sent to third parties [@]		
- No treatment	4,11,440	2,36,188
- With treatment – please specify level of treatment	2,53,894 (Primary: 2,52,658) (Secondary: 1,236)	60,336 (Primary: 60,336)
(v) Others [@]		
- No treatment	17,74,173	8,94,733
- With treatment – please specify level of treatment	46,417 (Primary: 30,277) (Secondary: 14,665) (Tertiary: 1,475)	4,18,234 (Primary: 4,18,234)
Total water discharged (in kilolitres) (i + ii + iii + iv + v)	42,34,073	32,44,110

[@] Sent to third-parties and others is wastewater discharged through municipal sewer connections or given to wastewater collection and treatment service providers.

The increase in wastewater discharged in FY 2024–25 compared to FY 2023–24 is primarily due to enhanced data capture and improved reporting systems implemented across sites. This has led to more accurate and comprehensive accounting and does not indicate a deterioration in water management practices. The Company treats wastewater from project sites through STPs. Challenges and the Company's actions with respect to wastewater data reporting are same as those mentioned in the note to Principle 6, Essential Indicator Q3.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, data assurance has been carried out by Deloitte Haskins & Sells LLP. The assurance statement is provided at the end of BRSR report section in Integrated Annual Report FY 2024-25.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Major facilities of the Company located at Hazira, Kattupalli, Talegaon, Coimbatore, Ranoli, Kancheepuram, and Kansbahal have implemented Zero Liquid Discharge (ZLD) systems. These systems ensure that the entire volume of wastewater generated from operations is either recycled and reused or stored for future use. The treated wastewater is repurposed for non-potable applications such as gardening, toilet flushing, firefighting, road washing, and dust suppression, significantly reducing the environmental impact.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Data below disclosed for the following manufacturing facilities:

Parameter	UOM	FY 2024-25			FY 2023-24		
		Hazira	Pithampur	Kanchipuram	Hazira	Pithampur	Kanchipuram
SOx	mg/m ³	8	28	10	24	16	10
NOx	mg/m ³	19	18	49	19	14	46
Particulate matter (PM)	mg/m ³	17	25	39	45	26	37
Persistent organic pollutants	–	–	–	–	–	–	–
Volatile organic compounds	–	–	–	–	–	–	–
Hazardous air pollutants	–	–	–	–	–	–	–
Others	–	–	–	–	–	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, emissions from chimney stacks at respective manufacturing facilities of the Company are checked by government approved laboratories and reports are submitted to State Pollution Control Boards. Results are reviewed and analysed by the business unit of the respective location to ensure compliance to the CTO conditions.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	UOM	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	6,03,953	6,35,646
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	2,82,341	3,49,682
Total Scope 1 and Scope 2 emissions per Rupee of turnover	tCO ₂ e/₹ Cr	6.2	7.8
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)	tCO ₂ e/PPP Mn USD	12.8	17.5

IMF PPP conversion rate (22.4), available for March 2024, was used for total income PPP adjusted value for FY 2023-24. IMF had revised the PPP methodology and PPP conversion rate in October 2024. For FY 2024-25, latest IMF PPP conversion rate (20.66) has been used.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, data assurance has been carried out by Deloitte Haskins & Sells LLP. The assurance statement is provided at the end of BRSR report section in Integrated Annual Report FY 2024-25.

8. Does the entity have any project related to reducing Green House Gas emission?

Details of some initiatives taken for GHG emissions reduction have been included under Leadership Indicator Question 4 of Principle-6.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	818	506
E-waste (B)	61	86
Bio-medical waste (C)	1	0.54
Construction and demolition waste (D)	2,62,736	2,36,846
Battery waste (E)	204	56
Radioactive waste (F)	1	5
Other hazardous waste. Please specify, if any. (G)	4,303	7,326
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,83,102	2,09,271
Total (A+B + C + D + E + F + G + H)	4,51,226	4,54,097
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) [MT/₹ Cr]	3.2	3.55
Waste intensity per rupee of turnover adjusted for PPP (Total waste generated / Revenue from operations adjusted for PPP) [in MT/PPP Mn USD]	6.5	8.1
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	19,475	2,05,822
(ii) Re-used	60,965	1,57,590
(iii) Other recovery operations	0	0
Total	80,440	3,63,412
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	83	0
(ii) Landfilling	1,17,645	73,535
(iii) Other disposal operations	2,55,233	3,633
Total	3,72,962	77,168

IMF PPP conversion rate (22.4), available for March 2024, was used for total income PPP adjusted value for FY 2023-24. IMF had revised the PPP methodology and PPP conversion rate in October 2024. For FY 2024-25, latest IMF PPP conversion rate (20.66) has been used.

Direct measurement (weighment) of waste is not feasible at all the locations, particularly at EPC project sites or for all types of wastes and indirect estimation has been used in those locations and wastes. Specially, measurement of construction and demolition waste presents a significant challenge due to heterogeneous composition, voluminous nature and lack of standardised measurement protocols. For estimation of waste generation, volume of activity or output at respective sites and waste generation per unit activity or process, has been used. In FY 2024-25, the Company made significant improvement in capturing and managing data related to waste across sites by rolling out redesigned Standard Operating Procedures (SOPs), implementing a new data management platform (L&T-EARTH) with checks and analytics, and is in process of strengthening its reporting for ensuring its completeness and accuracy for waste including construction & demolition waste.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, data assurance has been carried out by Deloitte Haskins & Sells LLP. The assurance statement is provided at the end of BRSR report section in Integrated Annual Report FY 2024-25.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste management is an integral component of L&T's EHS Management System. Each location — including EPC project sites, manufacturing facilities, and campuses — operates with a location-specific waste management plan. These plans are tailored based on the type and quantity of waste generated, as well as the applicable disposal methods, ensuring site-level effectiveness and regulatory compliance.

The Company emphasises the principles of the circular economy — Reduce, Reuse, Recycle (3Rs) — to minimise both waste generation and off-site waste disposal. For hazardous waste, storage and disposal are carried out in strict adherence to the consents issued by the Central or State Pollution Control Boards, aligned with relevant regulations such as the Battery Waste Management Rules, 2022. All hazardous waste is handled exclusively through government-authorised waste management agencies. To support effective implementation, regular training and awareness programmes are conducted for both employees and contract workers. These initiatives help ensure that waste is managed responsibly at every stage of the project lifecycle.

It is also important to note that L&T's portfolio — comprising complex, engineered-to-order equipment for process industries and other sectors — does not contain hazardous or toxic chemicals, further reducing environmental risk.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

Sl. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	A. M. Naik Heavy Engineering Complex, Hazira, Gujarat - Company's manufacturing facility located along the banks of River Tapi, 8 km from the Arabian Sea (only two jetty areas fall under Coastal Regulation Zone not the entire facility)	Manufacturing facility	Yes
2	Modular Fabrication Facility and Shipbuilding Facility in Kattupalli, Tamil Nadu - Company's manufacturing facilities located 40 km from Chennai, adjoining the Bay of Bengal	Manufacturing facility	Yes
3	Kachchi Dargah Bridge, Bihar – (EPC project) for construction of a bridge which spans the Ganges, connecting Kacchi Dargah in Patna and Bidupur in Hajipur	EPC project	Yes
4	Mumbai Ahmedabad High Speed Rail Package C3 (between Shilphata and Zaroli village on Maharashtra-Gujarat border), Maharashtra - Contract (EPC project) for construction of high-speed rail corridor comprising viaducts and tunnels falling in forest area and coastal regulation zones	EPC project	Yes

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
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For projects executed as client contracts, the responsibility for conducting the Environmental Impact Assessment (EIA) lies with the client. As per the contractual scope, L&T undertakes execution in accordance with the applicable environmental clearances and regulatory requirements already secured by the client. While EIA is outside L&T's direct scope for such projects, the Company remains committed to environmental compliance and best practices during execution. All project activities are carried out in alignment with L&T's internal EHS Management System, ensuring mitigation of environmental risks and adherence to sustainability standards.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes, the Company is compliant with the applicable Act(s) and Rule(s).

LEADERSHIP INDICATORS**1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

- (i) **Name of the area(s):** Water-stressed areas in Rajasthan, Uttar Pradesh, Gujarat, Haryana, Madhya Pradesh, Punjab, and National Capital Territory of Delhi.
- (ii) **Nature of operations:** EPC projects, awarded by clients, related to highways, railways, metro rail, water supply, irrigation, and oil & gas facilities
- (iii) **Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
Surface water	32,163	10,367
Groundwater	30,11,141	5,30,724
Third party water	95,719	15,64,155
Seawater / desalinated water	0	0
Others	14,69,436	2,43,695
Total volume of water withdrawal (in kilolitres)	46,08,459	23,48,941
Total volume of water consumption (in kilolitres)	32,23,890	15,97,080
Water intensity per rupee of turnover (Water consumed / turnover)	22.6	12.6
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	1,47,992 (Primary: 32,842) (Secondary: 13,741) (Tertiary: 1,01,409)	1,72,767 (Primary: 1,72,767)
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	3,05,136 (Primary: 3,05,136)	46,616 (Primary: 46,616)
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties [@]		
- No treatment	1,11,636	1,61,597
- With treatment – please specify level of treatment	55,186 (Primary: 55,186)	21,358 (Primary: 21,358)
(v) Others [@]		
- No treatment	6,24,161	2,12,141
- With treatment – please specify level of treatment	4,039 (Secondary: 4,039)	1,41,274 (Primary: 1,41,274)
Total water discharged (in kilolitres) (i + ii + iii + iv + v)	12,48,149	7,55,753

[@] Sent to third-parties and others is wastewater discharged through municipal sewer connections or given to wastewater collection and treatment service providers.

Volume of water for water stress areas has increased significantly compared to previous year due to increase in activities at the EPC project sites located in water stress area and enhancement in data capturing of water data for water stress areas. The Company implements watershed development projects in water stressed areas, as a part of CSR interventions, to augment the water availability.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency for the water data related to water stressed areas.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	UOM	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of GHG into CO ₂ , tCO ₂ e CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)		74,58,242	70,73,536
Total Scope 3 emissions per rupee of turnover	tCO₂e/₹ Cr	52.3	56

Scope 3 emissions for the Company is reported for five categories, i.e. purchase of goods and services, upstream transportation and distribution, business travel, employee commuting and downstream leased assets. The Company has increased the coverage for purchased goods and included contribution from downstream leased assets in FY 2024-25 reporting. Emissions have been calculated based on Corporate Value Chain (Scope 3) Accounting and Reporting Standard of the GHG Protocol. More than 95% of Scope-3 emissions are attributed to purchase of goods and within that category, ~90% is contributed by steel and cement used at EPC project sites for execution of contracts given by the clients.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N).

No independent assessment/ evaluation/assurance has been carried out by an external agency for the above data.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Sl. No.	Location of operations/offices	Actions taken
1	A. M. Naik Heavy Engineering Complex, Hazira (Only two jetty areas fall under CRZ and not the entire facility)	No painting or sand blasting activities are carried out in the designated areas and no solid or liquid wastes are disposed in coastal area. Zero Liquid Discharge (ZLD) system has been implemented and green cover with local species provided. All compliances, as required under Coastal Regulation Zone (CRZ) rules, are being complied with.
2	Modular Fabrication Facility, Kattupalli and Shipbuilding Facility, Kattupalli	No ship-breaking activities are carried out and oil spill mitigation measures have been put in place. ZLD system has been implemented. Phosphating and galvanising activities are carried out beyond CRZ boundaries. All compliances, as required under CRZ rules, are being complied with.
3	Kachchi Dargah Bridge, Bihar (EPC project contract)	Implementation of Environment Management Plan is monitored by third-party agency. For prevention of soil erosion near the bank of river Ganges silt barrier has been provided and jetty has been constructed. Wastewater being treated through Sewage Treatment Plant (STP), and no solid or liquid waste discharged in river body. Muck disposal being done as per prescribed norms. Construction activity is avoided to the extent possible during night-time and during times of key seasonal wildlife activity or breeding seasons.
4	Mumbai Ahmedabad High Speed Rail Package C3, Maharashtra (EPC project contract)	Implementation of Environment Management Plan is monitored by third-party agency. Noise and vibration levels are closely monitored, and equipment fitted with silencers are deployed. Arrangements made for controlled lighting and equipment movement is monitored to avoid disturbance or negative impact on fauna. Special arrangements made for disposal of muck and construction waste. Compensatory mangrove plantation also undertaken.

Some locations mentioned in the previous year FY 2023-24 are closed on completion of contract.

- 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sl. No.	Initiatives undertaken	Details of the initiative (web-link, if any, may be provided along with summary)	Outcome of initiative
1	Switching from diesel power generators to grid electricity	Diesel power generators (DG sets) are used at EPC project sites due to lack of grid connectivity or for backup power. Various sites of the Company have already switched from DG sets to grid power and other possible opportunities to implement the same are being explored.	Emissions avoided in FY 2024-25: ~2,760 tCO ₂ e
2	Using biodiesel to reduce diesel consumption	Use of biodiesel has been identified as one of the key initiatives to decarbonise energy consumption. In the previous year, the Company had initiated testing and pilot implementation of biodiesel. This has now been taken up as an initiative across different business units of L&T and there are targets set now for replacement of diesel with biodiesel.	Emissions avoided in FY 2024-25: ~1,100 tCO ₂ e
3	Reusing water in curing process	Concrete curing is an essential step in concrete works at EPC project sites to achieve desired concrete strength and durability. This process requires moisture to be maintained at casted concrete for a defined time-period, e.g. 28 days, and requires significant amount of water. Conventionally, the water runs-off into the ground or storm water drain. L&T's Heavy Civil business has taken initiative to implement systems across all sites to recover the run-off water from curing in a storage tank. This water gets reused for curing purpose and helps reduce the quantity of water required in the process.	Freshwater avoided, through reuse, in FY 2024-25: ~1.78 lakh kL
4	Treated wastewater use instead of freshwater	Concrete works at EPC project sites require significant amount of water for different processes. Sourcing freshwater for construction activities, particularly in water stressed areas, in desired quantity becomes a challenge in some locations. Project team at DMRC DC-09 project took initiative to look for alternate sources of water and planned to source treated wastewater from STPs of Delhi Jal Board. This helped not only ensure water availability as per the requirements of the project but also helped avoid sourcing of freshwater.	Freshwater avoided, through use of treated wastewater, in FY 2024-25: ~6,000 kL
5	Concrete waste recycling	Cube Testing is the typical process for confirming the concrete strength and quality. This process normally uses destructive testing methods and generates concrete waste. Conventionally this concrete waste is disposed by sending for landfills. At MAHSR C-5 site, the project team undertook the initiative to recycle this concrete waste into paver blocks. The paver blocks were made by crushing concrete waste and mixing with other materials before being casted in hydraulic press. These paver blocks are in temporary works at the site itself as well as sent for use at other sites.	Helped avoid ~100 tonne of concrete waste from getting sent to landfill.

Other significant initiatives are covered in 'Natural Capital' and 'Intellectual Capital' sections of Integrated Annual Report FY 2024-25.

- 5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Disaster management is an important component of the planning or administration processes and included in EHS management system. Disaster management and emergency response plans are made specific for the work location based on the local conditions, location setup and potential emergencies which could be faced, e.g. natural calamities, major fires, major accidents outside the site boundaries, toxic gas or chemical release, disease outbreak etc. These plans also include details of Emergency Response Team with roles and responsibilities, Emergency Facilities and Emergency Contact Numbers, designated Emergency Assembly Points and Flow Chart for Emergency Response. All relevant persons at the location, including the employees, sub-contractors and contractual workers, emergency response teams are made aware of the disaster management plans for the respective locations. Training and capacity-building programmes, including

mock drills, are undertaken to maintain a high level of preparedness. L&T's disaster management or emergency response plans aim to ensure business continuity and safety of all personnel and other resources at the location.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant risks/concerns have been raised during the year. The Company ensures that the contractors, vendors, suppliers comply with policies and guidelines including need for compliance with various environmental regulations and ethical practices.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

120 critical supply chain partners were assessed during the year, which is 23% of the total procurement by value of the Company in FY 2024-25.

8. How many Green Credits have been generated or procured:

A. By the listed entity.

No Green Credits have been generated or procured by the Company in FY 2024-25. Green Credits programme of Ministry of Environment, Forest and Climate Change (MoEFCC) does not currently allow private companies to participate in the programme.

B. By the top ten (in terms of value of purchases and sales, respectively) value chain partners.

A few value chain partners, which are public sector enterprises, had applied and paid for procurement of Green Credits. However, no Green Credits have been credited to their account in FY 2024-25. Green Credits programme of MoEFCC does not currently allow private companies to participate in the programme.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/ associations:** 63
- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	National Safety Council (NSC)	National
4	European Foundation for Quality Management (EQFM)	National
5	Construction Industry Development Council (CIDC)	National
6	Quality Circle Forum of India (QCFI)	National
7	American Society of Concrete Contractors (ASCC)	International
8	British Safety Council (BSC)	International
9	International Chamber of Commerce (ICC)	International
10	International Water Association	International

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

There was no issue related to anti-competitive conduct by the entity during the year.

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity

L&T actively engages in public policy advocacy across various sectors, aligning with its strategic business interests and commitment to national development. The Company is also a key member in numerous committees of industry associations such as FICCI, CII and councils in sectors such as energy storage, electronics (semiconductor), quality, environment, climate change, capital goods, transport, aerospace, roads & highways, economic policy and others. The Company also continuously engages with nodal agencies, government bodies to provide sector specific inputs and expertise. Key areas of advocacy include:

- **Environmental Regulations:** L&T provides suggestions and inputs towards formulation of policies and regulations that promote creation of a robust environment ecosystem and improve the ease of doing business.
- **Carbon Credit Trading Scheme:** The Company was a part of the public consultation process held by Bureau of Energy Efficiency for finalisation of detailed procedure for participation as a non-obligated entity in the Indian carbon market.
- **Semiconductor and Technology Sector:** L&T has pushed for policy incentives in the semiconductor sector, specifically advocating for chip design incentives to be accessible to all companies. This move is intended to bolster India's capabilities in the semiconductor industry.
- **Double Taxation Avoidance Agreement** (DTAA) with Algeria to promote fair competition for Indian companies in Algeria
- **Continuation of Customs Duty Exemption for Shipbuilding**
- Advocated for **introduction of a broader and inclusive Green Taxonomy** framework in India
- **Nuclear Energy and Small Modular Reactors (SMRs):** The Company has engaged in discussions on policy aspects related to Small Modular Reactors, emphasizing the need for a supportive regulatory framework to advance nuclear energy solutions in India.
- **Supporting Green Hydrogen Policy and Green Hydrogen Mission** by actively participating in public policy consultations and through engagements with regulators and industry associations.
- **Reforms in Public Procurement Models** for enhancing transparency, quality, and innovation in public procurement.

These advocacy efforts are part of L&T's broader strategy to influence policies that align with its business objectives and contribute to India's economic and infrastructural development.

Principle 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Being engaged in the EPC business, Social Impact Assessment (SIA) for the projects are conducted by the customers, and thus this not fall under the purview of the Company.					

Being engaged in the EPC business, Social Impact Assessment (SIA) for the projects are conducted by the customers, and thus this not fall under the purview of the Company.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Any R&R owing to the projects falls under the contractual purview of the customer and not the Company.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has implemented comprehensive grievance redressal mechanisms across its project sites, manufacturing facilities, campuses and offices to effectively collect and address community complaints and grievances. The Administration and Industrial Relations teams at each location manage the collection and resolution of complaints through various channels, including strategically placed complaint/suggestion boxes. Community members can lodge grievances either in writing or orally with the Company's designated personnel. Additionally, the Company provides the contact details on its website <https://www.larsentoubro.com/corporate/contact-us/> and has official social media handles to submit feedback, complaints, or suggestions. All complaints and grievances are directed to the appropriate department or individual for resolution. Progress is tracked until closure, and any unresolved issues or those requiring higher-level intervention are escalated to the respective business heads for appropriate action. Additionally, the Company's whistleblower mechanism provides an alternative channel for lodging grievances, ensuring multiple avenues for the community to voice their concerns.

The Company executes its CSR initiatives through collaborations and partnerships with NGOs, government agencies, and L&T teams across campuses, project sites and operational locations. The primary objective is to enhance the quality of life for individuals and communities while fostering positive and sustainable change. A structured grievance redressal mechanism has been established for CSR projects, providing the community with a platform to voice concerns and ensuring that issues are addressed in a manner that protects both individual and collective interests. Continuous feedback from stakeholders is actively sought to strengthen and improve CSR initiatives.

Grievances related to CSR projects can be submitted in writing, either via email or letter, to the concerned Project Head/ Coordinator at the local CSR site. Upon receipt, the Project Head will record the grievance, examine the underlying issues, and formulate an action plan for resolution. Feedback regarding the status of action will be provided within 20 days of receiving the grievance. Alternatively, grievances may also be submitted directly to Corporate CSR by emailing to grievance csr@larsentoubro.com, with the same commitment to provide feedback within 20 days.

It is important to note that suggestions regarding the expansion of project scopes, requests for support for new activities, or proposals for initiating projects in new locations or geographies fall outside the purview of the grievance redressal mechanism.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2024-25	FY 2023-24
Directly sourced from MSMES/ small producers	10%	8%
Directly from within India	70%	69%

Previous year's figure of 'directly from within India' have been restated to reflect the merger of a subsidiary with L&T Standalone.

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

In FY2023-24, around 80% of the jobs created was within India and 20% of the jobs were created outside India. Based on the Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024 and clarification provided by 'Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core', the disclosure of jobs created in smaller towns has been recalibrated for the reporting year and based on locations within India.

The table below provides the jobs created within India for employees (permanent and other than permanent) and permanent workers. The locations of the jobs created have been identified based on the location of the offices, project sites' offices and manufacturing locations.

Job creation in locations categorised as per RBI Classification System	FY 2024-25	FY 2023-24
Rural areas	10%	4%
Semi-urban areas	6%	2%
Urban areas	4%	4%
Metropolitan areas	80%	70%

The Company employs over 3,54,000 contractual workers annually on an average across its 700+ locations, engaging contractors primarily under two categories: service contracts and manpower contracts. Refer to Principle 5, Essential Indicator Q3(b) to understand the nature of challenges and approach for this disclosure.

The reported data below is based on the CLRA filings done by the Company and on the calendar year basis (Jan-Dec 2024) and provides the jobs created for other than permanent (contractual) workmen created within India. The locations of the jobs created have been identified based on the location of the offices, project sites' offices and manufacturing locations.

Job creation in locations categorised as per RBI Classification System	CY 2024	FY 2023-24
Rural areas	18%	
Semi-urban areas	18%	
Urban areas	15%	Not tracked and reported
Metropolitan areas	49%	

LEADERSHIP INDICATORS

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
No actions required to be taken by the Company	

- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (in ₹)
1	Andhra Pradesh	Visakhapatnam	1,80,33,567
2	Assam	Dhubri	59,30,940
3	Jharkhand	Hazaribagh	5,52,842
4	Jharkhand	Ranchi	9,87,000
5	Odisha	Balangir	3,02,924.6
6	Odisha	Kalahandi	3,91,428
7	Punjab	Moga	5,36,999.7
Total			2,67,35,701

- (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No). If NA, provide details.

The Company follows structured procurement practices that align with its commitment to quality, sustainability, and ethical standards. The Company has a Code of Conduct for Suppliers, which emphasises fair working conditions, environmental sustainability, adherence to human rights and ethical business practices. L&T also integrates policies

like Sustainable Supply Chain Policy to promote responsible sourcing and reduce environmental impact. There is no specific preferential procurement policy, but businesses have various processes that facilitate the following:

- Encourage small and medium enterprises (SMEs) in bid submission
- Promote social responsibility and encourage supply chain partners to act responsibly with the stakeholders, especially local and vulnerable communities

Due to the nature of business and bulk material requirement, there are very limited options to procure from these groups and are being sourced from large scale companies.

(b) From which marginalized /vulnerable groups do you procure?

We procure from groups such as person with disabilities, women self help group and others.

(c) What percentage of total procurement (by value) does it constitute?

The Company engages with marginalised and vulnerable groups, such as women-led Self-Help Groups (SHGs), local farmers and small business owners, primarily for the supply of food to canteens at its manufacturing facilities. However, the overall purchase value from these groups remains minimal compared to the Company's total procurement spend. This is largely attributable to the nature of the Company's core operations, which require the procurement of bulk industrial materials such as cement, steel, fuel, pipes, cables, and ready-mix concrete, along with services such as logistics, IT, IT-enabled services (ITES), and manpower subcontracting. These requirements are typically met by large and mid-sized enterprises due to scale, quality, and compliance demands.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
The Company does not have any intellectual property owned, created, or acquired based on traditional knowledge during the year.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
The Company does not have any intellectual property owned, created, or acquired based on traditional knowledge during the year.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	Persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Construction Skills Training Institutes and other skilling programmes for women and youth	17,750	100%
2	Enhancing educational infrastructure in schools	2,32,656	100%
3	Promoting STEM Education in schools and Improving quality of education	52,924	100%
4	Water conservation initiatives and Integrated Community Development Programme for Rural Areas	42,962	100%
5	Environment conservation initiatives	5,43,889	100%
6	Community health initiatives	10,09,069	100%
Total		18,99,250	

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

L&T operates predominantly in the B2B (business-to-business) sector. L&T provides a wide range of services and solutions to various industries, including engineering, construction, manufacturing. L&T has established multiple channels to receive and address consumer complaints and feedback.

- **Communication:** Customer complaints are received through email, transmittal letters, customer complaint registers and even verbally directly by project teams or facility admins. The Company also has a toll-free number and e-mail ID at infodesk@larsentoubro.com for collecting the customer inputs/feedback. Feedback from the customers is collected through a structured feedback form on a periodic basis. Format to record the complaints/feedback as well as SOPs to handle them are part of the Quality Management System. Inputs received from the customers are categorised and forwarded to the relevant teams or departments, which take the necessary action to resolve the complaints and respond to the customers. Each business unit maintains a record of complaints received and resolutions provided. These are reviewed at regular intervals at different management levels, starting from project teams and up to Business Head and Executive Committee level.
- **Physical Offices:** L&T maintains several offices across India where consumers can address their concerns in person or via mail to the concerned department or person.
- **L&T's Investor Relations Cell:** can be contacted at igrc@larsentoubro.com

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not applicable
Recycling and/or safe disposal	

The Company does not manufacture or sell consumer products. The products manufactured by the Company are engineered-to-order equipment, modules, sub-systems etc. which are for process industries and other such sectors. All relevant information e.g., operating parameters, maintenance process etc. are provided for these products.

3. Number of consumer complaints in respect of the following:

Particulars	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	–	0	0	–
Advertising	0	0	–	0	0	–
Cyber-security	0	0	–	0	0	–
Delivery of essential services	0	0	–	0	0	–
Restrictive Trade Practices	0	0	–	0	0	–
Unfair Trade Practices	0	0	–	0	0	–
Other	0	0	–	0	0	–

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reasons for recall
Voluntary recalls	The products manufactured by the Company are engineered-to-order equipment, modules, sub-systems, which are for process industries and other such sectors. There were no product recalls (voluntary or forced) made on ground of safety in FY 2024-25.	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy.

L&T demonstrates a strong commitment to cybersecurity and data privacy through comprehensive policies and strategic initiatives:

- **Data Privacy Policy:** L&T's Privacy Policy outlines the collection, use, and protection of personal information. The policy emphasises the secure storage of personal data on password- and firewall-protected servers. It also acknowledges the inherent risks of internet data transmission and advises users accordingly. Additionally, the policy addresses the use of cookies and provides guidance on managing them.
- **Cybersecurity Initiatives:** L&T has partnered with PwC to enhance its cybersecurity infrastructure. This collaboration led to the centralization of 24x7 security operations, addressing challenges such as a rapidly expanding IT landscape and real-time threat identification. The initiative also focused on leveraging hyper-automation and predictive analytics to bolster threat detection and response capabilities.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No cases/complaints received in above matters.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches along-with impact**
- Percentage of data breaches involving personally identifiable information of customers**
- Impact, if any, of the data breaches**

There were no data breaches during the year.

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

L&T offers detailed information about its diverse products and services through various official channels:

- **Corporate Website:** The primary source for comprehensive details on L&T's offerings is its official website at <https://www.larsentoubro.com>. Here, users can explore the "Products and Services" section, which provides insights into the Company's extensive range of solutions across sectors such as infrastructure, hydrocarbon, power, process industries, precision engineering and other industries.
- **Division Websites:** L&T's various business divisions maintain dedicated websites that offer in-depth information on their specific products and services:
 - **L&T Construction:** as one of the largest construction organisations globally, L&T Construction's website details its capabilities in infrastructure and related sectors.
 - **Hydrocarbon:** details out the capabilities in Offshore, Onshore EPC, Modular Fabrication, Asset Management, Offshore Wind
 - **Heavy Engineering:** showcases the capabilities in Process Plant, Nuclear Power Plant, Special Fabrication Unit and others

- **Other key businesses** such as Rubber Processing Machinery, Construction & Mining Machinery, shipbuilding, Precision Engineering and Systems, L&T-SuFin, L&T-EduTech, L&T-Cloudfiniti and more
 - **L&T Realty:** Focused on real estate development, L&T Realty's website offers insights into residential, commercial, and retail projects across India.
- **Annual Reports and Investor Presentations:** L&T's annual reports and investor presentations, accessible through the 'Investors' section of the corporate website, provide detailed overviews of business performance, new projects, and strategic initiatives across various sectors.
 - **Social Media Platforms:** L&T maintains active profiles on platforms like LinkedIn, X (formerly Twitter), and YouTube, where the Company shares business updates, project highlights, CSR and sustainability initiatives, information about their products and services, to name a few. By utilising these channels, stakeholders can access detailed and up-to-date information on L&T's diverse products and services across its various business sectors.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company does not operate in B2C space, and the products manufactured are engineered-to-order equipment, modules, sub-systems which are for process industries and other such sectors. The Company engages with its clients/customers on a regular basis to explain about its products, innovations, new technologies and techniques that are implemented or proposed to be implemented to enhance product quality and features.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company does not have any direct presence or role in provision of essential services. However, during execution of projects and transportation of machinery/equipment, the clients and concerned public departments/authorities are informed in advance through transmittal letters and their permissions are sought for road closure, traffic diversion, isolation of utility supplies and so on.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable)? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company does not manufacture or sell products which are covered under such laws. L&T ensures that the relevant information is provided, which may include detailed technical specifications, safety guidelines, environmental considerations, quality certifications, and user instructions. For certain projects and solutions, especially in sectors like infrastructure, power, and heavy engineering, L&T also shares environmental performance data, sustainability impacts, and operation & maintenance insights with clients. These additional disclosures are aimed at enabling customers and end-users to make informed decisions, enhance safe usage, and support transparency and trust in the Company's product and service delivery.

L&T regularly conducts customer satisfaction surveys across its key business verticals to gather insights on customer experience, service quality, and product performance, which are ingrained in the Quality Management Systems. These surveys are structured to assess customer feedback across major products and services and are conducted in significant locations of operation, including India and international markets.

L&T's customer feedback mechanisms include structured surveys, client review meetings, third-party assessments, and digital platforms, which collectively help in understanding client expectations and areas for improvement. The feedback is collected through a structured questionnaire based on relevant parameters and a 10-point Likert scale. Typically, feedback is collected on a half-yearly or annual basis.

Insights gathered from these surveys are reviewed by senior leadership and integrated into continuous improvement programmes across business units, ensuring alignment with our commitment to customer-centric excellence. Additionally, specific business verticals have dedicated teams that engage with clients and key stakeholders to measure satisfaction levels, address grievances, and enhance service delivery.