

of receipt of complaints to bringing them to a logical conclusion, keeping in mind the interest of the Company. Suitable actions are taken against employees, wherever investigation confirms the allegations.

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the Company's Code of Conduct, having an adverse effect on the Company's financials/image and instances of sharing of unpublished price sensitive information.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

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

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

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

The Audit Committee is periodically briefed about the various cases received, the status of the investigation, findings and action taken, if any and a comprehensive update is provided semi-annually which is presented and discussed at the Audit Committee Meeting. During the year, no person has been denied access to the Audit Committee, wherever desired.

The Company has a zero-tolerance policy towards breach of Code of Conduct and to this extent, the Company has built a robust framework around

the Whistle Blower mechanism to actively address all complaints received.

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

Also refer to page 326 of the Board Report.

d) Statutory Auditors:

In the case of appointment of new auditors, an internal team is formed to carry out the selection process. The internal team works under the guidance of the Chairman of the Audit Committee. The criteria for shortlisting / selection are identified and firms are evaluated based on those criteria. The internal team considers factors such as experience, expertise, size, availability of time of a senior partner and reach etc. during the process of evaluation. Based on merit and the factors mentioned above, the Internal team shortlists the firm to be appointed and recommends the same to the Audit Committee. The Audit Committee reviews the same before recommending to the Board and shareholders for approval.

The Auditing Partners are rotated periodically to ensure objectivity in the audit processes. The Company also appoints joint auditors prior to end of the term of the existing auditors to ensure smooth transition and enable the new auditors to understand the systems and processes of the Company.

Deloitte Haskins & Sells LLP ("DHS LLP" or "Firm") is registered with the Institute of Chartered Accountants of India (Registration No. 117366W/W-100018). DHS LLP has offices in Mumbai, Delhi, Kolkata, Chennai, Bangalore, Ahmedabad, Hyderabad, Coimbatore, Kochi, Pune, Jamshedpur and Goa. The registered office of the Firm is One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai - 400013, Maharashtra, India.

M/s. MSKA & Associates ("MSKA") were appointed as the Statutory Auditors of the Company for a term of 5 years i.e. from the conclusion of 79th Annual General Meeting till

the conclusion of 84th Annual General Meeting of the Company, subject to approval of the shareholders. DHS LLP would be completing their tenure as Statutory Auditors of the Company on conclusion of the 80th Annual General Meeting of the Company to be held in the calendar year 2025. In order to provide the new auditors adequate time to get familiar with the Company's operations & processes and to ensure a smooth transition, both, DHS LLP and MSKA would jointly conduct the audit from the conclusion of 79th Annual General Meeting of the Company till the conclusion of the 80th Annual General Meeting.

MSKA & Associates is an Indian Partnership Firm registered with the Institute of Chartered Accountants of India (ICAI) and the US Public Company Accountancy Oversight Board (PCAOB) having offices across 12 cities in India at Mumbai, Gurugram, Chandigarh, Kolkata, Ahmedabad, Chennai, Goa, Pune, Bengaluru, Kochi, Hyderabad and Coimbatore. The head office of the firm is at 602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon (E), Mumbai 400063, India.

For FY 2023-24, the total fees paid by the Company and its subsidiaries, on a consolidated basis, to Deloitte Haskins & Sells LLP, Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditors are a part thereof for all the services provided by them is ₹ 12 crore.

Also refer to page 326 of the Board Report.

e) Code of Conduct:

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

To the Shareholders of Larsen & Toubro Limited

Sub: Compliance with Code of Conduct

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

S. N. Subrahmanyam

Chairman & Managing Director

Date: May 8, 2024

Place: Mumbai

f) General Body Meetings:

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

Financial Year	Date	Venue	Time
2022-2023	August 9, 2023	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai – 400 020 and through Video Conferencing / Other Audio-Visual Means	3.00 p.m.
2021-2022	August 4, 2022	Meeting was held through Video Conferencing / Other Audio-Visual Means	3:30 p.m.
2020-2021	August 5, 2021	Meeting was held through Video Conferencing / Other Audio-Visual Means	3:30 p.m.

The following Special Resolutions were passed by the members during the past 3 Annual General Meetings:

Annual General Meeting held on August 9, 2023:

None.

Annual General Meeting held on August 4, 2022:

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

Annual General Meeting held on August 5, 2021:

- To re-appoint Mr. Sanjeev Aga as an Independent Director of the Company for a five-year term upto May 24, 2026.
- To re-appoint Mr. Narayanan Kumar as an Independent Director of the Company for a five-year term upto May 26, 2026.
- To approve raising of capital through QIP's by issue of shares / convertible debentures / securities upto an amount of USD 600 million or ₹ 4,500 crore.

Note: There were no invalid votes cast in any of the previous 3 Annual General Meetings.

g) Resolution(s) passed through Postal Ballot:

There were 3 Postal Ballots conducted by the Company during FY 2023-24. All the resolutions

were passed with requisite majority of votes. Details of the Resolutions passed through postal ballot during FY 2023-24 are given below.

Description of the resolution	Postal Ballot Notice date	Date of publication of voting results	Voting Pattern	
			Votes in favour	Votes against
Appointment of Mr. Jyoti Sagar (DIN:00060455) as an Independent Director of the Company w.e.f. May 10, 2023			97.76%	2.24%
Appointment of Mr. Rajnish Kumar (DIN:05328267) as an Independent Director of the Company w.e.f. May 10, 2023	May 10, 2023	June 22, 2023	97.06%	2.94%
Approval of Related Party Transaction(s) with Larsen Toubro Arabia LLC			99.99%	0.01%
Approval of Buyback of Equity Shares	July 25, 2023	August 25, 2023	99.91%	0.09%
Appointment of Mr. Ajay Tyagi (DIN:00187429) as an Independent Director of the Company w.e.f. October 31, 2023			97.42%	2.58%
Appointment of Mr. P. R. Ramesh (DIN:01915274) as an Independent Director of the Company w.e.f. October 31, 2023			96.29%	3.71%
Approval of material Related Party Transaction(s) with Larsen Toubro Arabia LLC			96.63%	3.37%
Approval of material Related Party Transaction(s) with L&T Metro Rail (Hyderabad) Limited	December 14, 2023	January 18, 2024	96.64%	3.36%

Mr. S. N. Ananthasubramanian, Practising Company Secretary, (M. No: FCS 4206, COP No. 1774) and failing him, Ms. Aparna Gadgil, Practising Company Secretary (M. No: ACS 14713,

COP No. 8430), was appointed as Scrutinizer for conducting the Postal Ballots in a fair and transparent manner. There were no invalid votes cast in any of the Postal Ballots conducted during FY 2023-24.

h) Disclosures:

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

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

- The policies for determining material subsidiaries and related party transactions are available on the Company's website <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.
- Details of risk management including foreign exchange risk, commodity price risk and hedging activities form a part of the

Management Discussion & Analysis. Please refer to pages 18 to 127 of this integrated Annual Report.

8. As required under the provisions of SEBI LODR Regulations, a certificate confirming that none of the Directors on the Board have been debarred or disqualified by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority, obtained from M/s S. N. Ananthasubramanian & Co., Company Secretaries, is a part of the Corporate Governance report.
9. Details in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 form a part of the Board Report. Please refer to pages 324 to 325 of this integrated Annual Report.
10. The Company has not provided any loans or advances in the nature of loans to firms/ companies in which directors are interested.
11. There are no agreements which impact the management or control of the Company or impose any restriction or create any liability upon the Company as specified under Regulation 30A read with clause 5A to para A of part A of schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) Means of communication:

Financial Results and other Communications	Quarterly & Annual Results are published in prominent daily newspapers viz. The Financial Express, Hindu Business Line & Loksatta. The results are also posted on the Company's website: www.larsentoubro.com . Advertisements relating to IEPF, E-Voting, AGM related compliances, etc. are published in The Financial Express & Loksatta.
News Releases	Official news releases that carry material information as per the Company's policy for determination of materiality of events or information, are sent to stock exchanges as well as displayed on the Company's website: www.larsentoubro.com .

Website	The Company's corporate website www.larsentoubro.com provides comprehensive information about its portfolio of businesses. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the stock exchanges. The entire Annual Report including Accounts of the Company and subsidiaries are available in downloadable formats.
Filing with Stock Exchanges	Information to Stock Exchanges is now being also filed online on NEAPS for NSE, BSE Online for BSE and RNS for London Stock Exchange.
Annual Report and Annual General Meeting	Annual Report is circulated to all the members and all others like auditors, equity analysts, etc. To enable a larger participation of shareholders for the Annual General Meeting, the Company has provided Webcast facility at its last three Annual General Meetings in co-ordination with NSDL. This year, the Company will be conducting the Annual General Meeting through Audio Visual Means, as permitted by Ministry of Corporate Affairs. The Annual Report is e-mailed to all members who have registered their email IDs with the Company and to those shareholders who request for the same. The Annual Report would also be made available on the website of the Company. The Chairman suitably responds to the queries raised by the shareholders during the AGM.
SEBI Complaints Redress System (SCORES)/Online Dispute Resolution (ODR) Portal:	Investor complaints are processed at SEBI in a centralized web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status. The Company submits ATR on timely basis with respect to the complaints received from SCORES. In case any investor is still not satisfied with the outcome of the resolution, they can initiate dispute resolution through the ODR Portal. The ODR Portal has the necessary features and facilities to, <i>inter alia</i> , enrol the investor to file the complaint/ dispute. Your Company has done necessary enrolment on the ODR Portal.

Management Discussion & Analysis	This forms a part of the Annual Report which is mailed to the shareholders of the Company.
Presentations made to Institutional Investors and Analysts	The schedule of analyst / institutional investor meets and presentations made to them on a quarterly basis are informed to the Stock Exchanges and also displayed on the Company's website. The audio recordings and transcripts of these meetings are also uploaded on the Company's website and weblink for the same is intimated to the Exchanges.

J. Investor FAQs

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

H. Unclaimed Shares

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

In accordance with the provisions of the section 124(6) of the Companies Act, 2013 and Rule 6(3)(a) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has transferred to IEPF equity shares on which dividend has remained unclaimed for a period of seven consecutive years upto the FY 2015-16. The details are given in the Board Report. Please refer to page 324 of this integrated Annual Report.

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

I. GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting:

The Annual General Meeting of the Company has been convened on Thursday, July 4, 2024 at 3:00 p.m. through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") pursuant to the MCA Circular dated September 25, 2023. Members can attend the AGM virtually at www.evoting.nsdl.com.

b) Financial calendar:

1. Annual Results of FY 2023-24	May 8, 2024
2. Mailing of Annual Reports	Second week of June 2024
3. First Quarter Results	During the last week of July 2024*
4. Annual General Meeting	July 4, 2024
5. Payment of Dividend	July 9, 2024*
6. Second Quarter results	During last week of October 2024*
7. Third Quarter results	During last week of January 2025*

* Tentative

c) Record Date:

The Record date to determine the members entitled to the final dividend for FY 2023-24 is **Thursday, June 20, 2024.**

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

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

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

e) Listing Fees to Stock Exchanges:

The Company has paid the Listing Fees for FY 2024-25 to BSE and NSE in April 2024. The fees to London Stock Exchange has been paid in March 2024 and to Luxembourg Stock Exchange has been paid in May 2024.

f) Custodial Fees to Depositories:

The Company has paid the custodial fees to National Securities Depository Limited. The fees to Central Depository Services (India) Limited (CDSL) shall be paid on the receipt of their invoice.

g) Stock Code / Symbol:

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

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

The Company's shares constitute a part of BSE 30 Index of the BSE Limited as well as NIFTY Index of the National Stock Exchange of India Limited.

h) Stock market data for the FY 2023-24:

Month	L&T BSE Price (₹)			BSE SENSEX		
2023	High	Low	Month Close	High	Low	Month Close
April	2,368.75	2,155.55	2,364.75	61,209.46	58,793.08	61,112.44
May	2,416.00	2,168.65	2,206.45	63,036.12	61,002.17	62,622.24
June	2,482.95	2,202.20	2,474.50	64,768.58	62,359.14	64,718.56
July	2,687.90	2,419.95	2,679.90	67,619.17	64,836.16	66,527.67
August	2,767.00	2,586.75	2,706.00	66,658.12	64,723.63	64,831.41
September	3,057.00	2,688.55	3,021.95	67,927.23	64,818.37	65,828.41
October	3,114.00	2,856.85	2,928.80	66,592.16	63,092.98	63,874.93
November	3,122.00	2,872.00	3,111.65	67,069.89	63,550.46	66,988.44
December	3,559.75	3,125.05	3,527.05	72,484.34	67,149.07	72,240.26
2024						
January	3,738.90	3,387.40	3,480.15	73,427.59	70,001.60	71,752.11
February	3,511.95	3,264.00	3,481.60	73,413.93	70,809.84	72,500.30
March	3,812.00	3,481.00	3,774.10	74,245.17	71,674.42	73,651.35

Month	L&T NSE Price (₹)			NIFTY		
2023	High	Low	Month Close	High	Low	Month Close
April	2,369.00	2,155.00	2,364.40	18,089.15	17,312.75	18,065.00
May	2,416.35	2,168.50	2,205.65	18,662.45	18,042.40	18,534.40
June	2,483.50	2,202.15	2,475.55	19,201.70	18,464.55	19,189.05
July	2,690.00	2,420.00	2,681.35	19,991.85	19,234.40	19,753.80
August	2,766.80	2,586.30	2,702.70	19,795.60	19,223.65	19,253.80
September	3,058.35	2,688.30	3,023.55	20,222.45	19,255.70	19,638.30
October	3,114.95	2,856.15	2,929.05	19,849.75	18,837.85	19,079.60
November	3,124.55	2,871.05	3,109.20	20,158.70	18,973.70	20,133.15
December	3,559.95	3,121.05	3,526.00	21,801.45	20,183.70	21,731.40
2024						
January	3,737.90	3,387.05	3,479.75	22,124.15	21,137.20	21,725.70
February	3,513.00	3,263.05	3,477.55	22,297.50	21,530.20	21,982.80
March	3,813.35	3,481.00	3,763.90	22,526.60	21,710.20	22,326.90

i) Registrar and Share Transfer Agents (RTA):

KFin Technologies Limited
Unit: Larsen & Toubro Limited
Selenium Tower B, Plot number 31 & 32
Financial District Gachibowli, Nanakramguda,
Hyderabad, Telangana - 500 032.

j) Share Transfer System:

Pursuant to SEBI notification dated January 24, 2022, requests for effecting transfer of securities in physical form, shall not be processed by the Company.

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

As required under Regulation 40 of the SEBI LODR Regulations, a certificate on yearly basis confirming due compliance from Practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

k) Distribution of Shareholding as on March 31, 2024:

No. of Shares	Shareholders		Shareholding	
	Number	%	Number	%
upto 500	14,69,775	93.97	8,92,29,541	6.49
501 – 1000	46,153	2.95	3,37,01,309	2.45
1001 – 2000	25,717	1.64	3,59,59,801	2.62
2001 – 3000	8,662	0.56	2,11,63,905	1.54
3001 – 4000	3,789	0.24	1,31,21,326	0.95
4001 – 5000	2,391	0.15	1,07,74,130	0.79
5001 - 10000	4,069	0.26	2,81,05,651	2.04
10001 and above	3,529	0.23	1,14,26,12,956	83.12
TOTAL	15,64,085	100.00	1,37,46,68,619	100.00

l) Categories of Shareholders is as under:

Category	31.03.2024		31.03.2023	
	No. of Shares	%	No. of Shares	%
Financial Institutions	18,41,59,970	13.40	19,71,96,424	14.03
Foreign Institutional Investors	33,02,78,309	24.02	33,97,97,270	24.18
Shares underlying GDRs	1,88,37,260	1.37	176,47,986	1.26
Mutual Funds	24,20,78,635	17.61	24,42,12,576	17.37
Bodies Corporate & Qualified Institutional Buyers	9,48,47,826	6.90	10,41,86,514	7.41
Directors & Relatives	10,80,537	0.08	17,84,805	0.13
L&T Employees Trust	19,48,87,516	14.18	19,25,58,158	13.70
Others	30,84,98,566	22.44	30,80,98,457	21.92
TOTAL	1,37,46,68,619	100.00	140,54,82,190	100.00

m) Dematerialization of shares & Liquidity:

The Company's Shares are required to be compulsorily traded in the Stock Exchanges in dematerialized form.

The number of shares held in dematerialized and physical mode as on March 31, 2024 is as under:

	No. of shares	% of total capital issued
Held in dematerialized form in NSDL	128,37,72,465	93.39
Held in dematerialized form in CDSL	7,90,73,962	5.75
Physical	1,18,22,192	0.86
Total	137,46,68,619	100.00

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

The outstanding GDRs are backed up by underlying equity shares which are part of the existing paid-up capital.

o) Listing of Debt Securities:

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

p) Listing of Commercial Paper:

The Commercial Papers issued by the Company are listed on BSE Limited.

q) Debenture Trustees (for privately placed debentures):

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

r) Credit Rating:

The Company has obtained rating from CRISIL Ratings Limited, ICRA Limited and India Ratings and Research Private Limited during FY 2023-24. There has been no revision in credit ratings during FY 2023-24. The ratings given by these agencies are as follows:

Rating Agency	Type of Instrument	Rating
CRISIL Limited	Non-Convertible Debentures	'CRISIL AAA/Stable'
	Bank Loan Facilities	'CRISIL AAA/Stable'
	Commercial Paper	'CRISIL A1+'

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

Further, S&P Global Ratings vide its letter dated May 8, 2024 has assigned 'BBB+ with Stable Outlook' long term issuer credit rating to the Company

s) Plant Locations:

The L&T Group's facilities for design, engineering, manufacture, modular fabrication and production are based at multiple locations within India including, Bengaluru, Chennai, Coimbatore, Faridabad, Hazira (Surat), Kattupalli (near Chennai), Kancheepuram, Mumbai, Pithampur, Puducherry, Rajpura, Kansbahal (Rourkela), Talegaon, Vadodara and Visakhapatnam. L&T's international manufacturing footprint covers Oman, Saudi Arabia and USA. The L&T Group also has an extensive network of offices in India and around the globe. See page 14 of this integrated Annual Report.

t) Address for correspondence:

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

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

- KFin Technologies Limited
Unit: Larsen & Toubro Limited
Selenium Tower B,
Plot 31 & 32, Gachibowli,
Financial District,
Nanakramguda,
Hyderabad,
Telangana - 500 032
Tel : (040) 6716 2222
Toll free number: 1-800-3094-001
Fax: (040) 2342 0814
Email: einward.ris@kfintech.com
Website: www.kfintech.com

2. KFin Technologies Limited
Unit: Larsen & Toubro Limited
24-B, Raja Bahadur Mansion,
Ground Floor, Ambalal Doshi Marg,
Behind BSE Limited,
Fort, Mumbai – 400 023.
Tel : (022) 6623 5454/ 5412/ 5427

u) Investor Grievances:

The Company has designated an exclusive e-mail ID viz. IGRC@LARSENTOUBRO.COM to enable investors to register their complaints, if any.

v) Securities Dealing Code:

The objective of the Securities Dealing Code ('Code') is to prevent purchase and / or sale of shares of the Company by an Insider based on Unpublished Price Sensitive Information. Under this Code, Designated Persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. Directors and designated employees who buy and sell shares of the Company are prohibited from executing contra-trades during the next six months following the prior transactions.

The Company has a policy for acting against Directors and employees who violate the SEBI PIT Regulations / Code. Pursuant to the enactment of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has suitably modified the provisions of the Code which are effective from April 1, 2019.

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

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

w) Stakeholder Engagement:

The Company recognizes that its stakeholders form a vast and heterogeneous community. Our customers, shareholders, employees, suppliers, community, etc. have been guideposts of our decision-making process. The Company engages

with its identified stakeholders on an ongoing basis through business level engagements and structured stakeholder engagement programs. The Company maintains its focus on delivering value to all its stakeholders, especially the disadvantaged communities.

The communication channels with the Company's stakeholders include:

- For external stakeholders - Stakeholder engagement sessions, client satisfaction surveys, shareholder satisfaction assessment, dealer and stockists meet, analyst / investors meet, periodic feedback mechanism, general meeting for shareholders, online service and dedicated e-mail service for grievances, corporate website, etc.
- For internal stakeholders – Employee satisfaction surveys, employee engagement surveys for improvement in employee engagement processes, circulars and messages from management, corporate social initiatives, welfare initiatives for employees and their families, online news bulletins for conveying topical developments, large bouquet of print and online in-house magazines, helpdesk facility, etc.

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

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

X) Supplier/Contractor management:

The Company strives to foster responsible behaviour in the supply chain in accordance with the highest standards of ethics and integrity, respect for the law, human and labour rights, and environmental protection. Various initiatives

undertaken by the Company in this regard are given below:

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

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

y) Awareness Sessions / Workshops on Governance practices:

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

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

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

z) Anti-bribery and Anti-corruption policy:

The Company has adopted the Anti-Bribery and Anti-Corruption (ABAC) Policy which acts as a guiding framework for ensuring compliance with various legislations and standards of behaviour to which the Company and all its officials must adhere to. This Policy is applicable to all employees of the Company working at all levels and is widely disseminated across the Company.

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

aa) ISO 9001:2015 Certification:

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

bb) Audit as per SEBI requirements:

As stipulated by SEBI, M/s. S. N. Ananthasubramanian & Co., Company Secretaries, Secretarial Auditors of the Company carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit has provided a reconciliation of total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

The Secretarial Department of the Company at Mumbai is manned by competent and experienced professionals. The Company has a system to review and audit its secretarial and other statutory compliances by competent professionals. Appropriate actions are taken to continuously improve the quality of compliance.

cc) Secretarial Audit

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Regulation 24A of SEBI LODR Regulations, M/s. S. N. Ananthasubramanian & Co., Company Secretaries, conducts the secretarial audit of the compliance of applicable statutory provisions and the adherence of good corporate practices by the Company.

Pursuant to Chapter IV-A of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, the Company has obtained an annual secretarial compliance report from M/s. S. N. Ananthasubramanian & Co., Company Secretaries and submitted the same to the Stock Exchanges within the prescribed timelines.

dd) Statutory Compliance System:

The Company has in place system to ensure compliance with applicable laws, rules and regulations. These comprise of Central and

State Acts / Rules where the Company carries on business. The list of applicable laws are reviewed by an External Consultant along with the Legal & Finance & Accounts functions of each Business.

Each Business head certifies compliance of all applicable laws on a quarterly basis. Based on these confirmations, the Company Secretary gives a compliance certificate to the Board of Directors. The Company verifies the compliances through a random review of the process / system / documentation with the Business / Corporate function.

To strengthen & make the compliance monitoring process more robust, the Company has implemented a web-based portal known as "iCompliance portal", which enables us to monitor the regulatory compliance performance, remediation plans for non-conformities. This portal also helps us maintain updated list of applicable laws and compliance checklist(s) which are monitored & tracked through the portal.

The Company also engages external consultants to prepare as well as review compliance checklists for the new geographies and update the existing checklist(s) of compliances. Compliance tasks are mapped in iCompliance portal to process owners who update the status with supporting evidence. Identified key stakeholders across functions ensure and confirm compliance with the provisions of all applicable laws on a regular basis.

ee) Group Governance Policy:

Vide its circular dated May 10, 2018, SEBI has introduced the concept of Group Governance Unit. The circular expects listed companies to monitor their governance through a Governance Committee and establishment of a strong and effective group governance policy.

"Corporate Governance" in the Company and its subsidiaries broadly includes strategic supervision by the Board and its Committees, compliance of Code of Conduct, Statutory Compliance including compliance of Companies Act, 2013 / applicable SEBI Regulations, avoiding conflict of interest, Risk Management, Internal Controls and Audit.

The Company has three listed entities within the group. Each of these entities have their own Board and Board Committees in compliance with the Companies Act, 2013 and SEBI LODR Regulations. The oversight of their subsidiaries is as per

Companies Act, 2013 and SEBI LODR Regulations. The Board Report and its annexures of these listed companies contains various disclosures dealing with subsidiary companies.

All these listed entities have one Executive Director of the Company and L&T Technology Services Limited and LTIMindtree Limited have one Independent Director of the Company on its Board. Any financial assistance to the above companies or purchase/sale by the Company of their shares, is dealt with by the Company's Board.

These listed entities publish their Independent Auditor's certificate on Corporate Governance, Secretarial Audit Report of Practising Company Secretary and CEO/CFO's certificate for internal controls for financial reporting.

The Company has entered into brand/trademark licensing agreement with its equity listed subsidiaries and fees are charged based on turnover/profits/assets.

Responsibility of the Company's corporate team in the areas of statutory compliance (including corporate laws), Risk Management, Internal Controls and Internal Audit, covers all unlisted subsidiaries. The three listed entities have their own teams to carry out these functions.

The ICs have separate internal teams to oversee their legal and compliance functions. All Subsidiary Companies associated with the respective ICs are reviewed by their respective IC Boards.

The subsidiary companies also function independently and have separate Boards which consists of representatives of the Company, who are senior executives of the Company, representatives of Joint Venture partners, representative of the Company's Board as well as Independent Directors as required by law. As per law, these companies, wherever required, also have Audit Committee, Nomination & Remuneration Committee, CSR & Sustainability Committee, Stakeholders' Relationship Committee and Risk Management Committee.

Major unlisted subsidiaries have some Executive Directors of the Company on their Board. The subsidiary companies' performance is reviewed by the Company's Board periodically (included in quarterly results presented to the Company's Board). F&A heads of some of the subsidiary

companies functionally report to select senior finance officers of the Company.

Thus, the overall functioning of these Subsidiary companies is monitored by the Group directly or through their respective IC's.

A voluntary Secretarial Audit is conducted for all subsidiary companies, including foreign companies and companies which are not covered under the purview of Companies Act, 2013. Thus, there is a complete audit of the compliance of applicable statutory provisions and adherence to good corporate practices.

The Company's Code of Conduct (Code) is required to be adhered by all unlisted group companies covering employees, directors, suppliers, contractors, etc. In addition to this, the subsidiaries also have their own vigil mechanism, if they meet the thresholds given in the Companies Act, 2013. The Audit Committee/Board of these companies monitor this mechanism. The Vigil Mechanism Framework to report breach of code is a structured process, which encourages and facilitates all covered, to report without fear, wrongdoings or any unethical or improper practice which may adversely impact the image, credibility and/or the

financials of the Company, through an appropriate forum.

The Secretarial Department of the Company has qualified Company Secretaries (CS) with vast experience in the field of compliance and law. It consists of fulltime professionals dedicated to performing corporate secretarial and subsidiary governance duties. Qualified CS in secretarial department monitor the compliance related to subsidiaries under Companies Act / Rules. The Company's Secretarial Department develops a broad Governance policy for the Company and its group of subsidiaries.

The Company's Secretarial Department is involved in all major corporate actions of subsidiaries like IPO's, raising of capital, restructuring, major financial assistance to subsidiaries etc.

Appropriate disclosures related to subsidiaries are made in Financial Statements / Directors' Report of the Company as well as its subsidiaries as per Companies Act, 2013 / applicable SEBI Regulations and applicable Accounting Standards. All companies are subject to Statutory Audit and applicable Secretarial Audit.

Independent Auditor's Certificate on Corporate Governance

TO THE MEMBERS OF LARSEN & TOUBRO LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter dated September 12, 2023.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Larsen & Toubro Limited (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the

Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W100018)

Rishabh Sanghvi
(Partner)
(Membership No. 066926)
UDIN: 24066926BKBMZV8178

Place: Mumbai
Date: May 8, 2024

Secretarial Auditor's Certificate in respect of the Implementation of Employee Stock Option Schemes of the Company

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Larsen & Toubro Limited
CIN: L99999MH1946PLC004768
L&T House, Ballard Estate,
Mumbai – 400001

(Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the ICSI Auditing Standards, issued by the Institute of Companies Secretaries of India.

BACKGROUND

1. This Certificate is issued in accordance with the terms of our engagement dated May 16, 2023.
2. We, Secretarial Auditor of Larsen & Toubro Limited ("the Company"), pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the Regulations") are required to certify that, for the Financial Year ended March 31, 2024, the Employees Stock Option Schemes, Larsen & Toubro Limited Employee Stock Ownership Scheme – 2003 and Larsen & Toubro Limited Employee Stock Option Scheme – 2006 (collectively referred to as "the Schemes") have been implemented in accordance with the Regulations and in accordance with the Special Resolutions passed at the General Meetings held on August 26, 1999 & August 22, 2003 and August 25, 2006, respectively (the "Resolutions")

MANAGEMENT RESPONSIBILITY

3. It is the responsibility of the Management of the Company to implement the Schemes including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

AUDITOR'S RESPONSIBILITY

4. It is our responsibility to certify whether the Company has complied with the applicable provisions of the Regulations and the Resolutions, during the year ended March 31, 2024, in implementing the Schemes on the basis of information compiled or collated by the Management and the accounting and other relevant supporting records and documents provided to us for our examination.
5. We have conducted our examination and obtained the explanations in accordance with Referencer on SEBI

VERIFICATION

6. We have verified the following:
 - (a) the Schemes;
 - (b) the Resolutions;
 - (c) Note on Accounting Treatment followed by the Company.

CERTIFICATION

7. Based on our verification of the records and documents maintained by the Company as aforesaid and according to the information, explanations and written representations provided to us, we certify that the Company has complied with the applicable provisions of the Regulations and the Resolutions in implementing the Schemes during the year ended March 31, 2024.

RESTRICTION ON USE

8. This Certificate is addressed to and provided to the Members of the Company solely for the purpose of compliances with Regulation 13 of the Regulations. This Certificate should not be circulated, copied, used / referred to for any other purpose, without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care of for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Ananthasubramanian

Founding Partner

FCS: 4206 | COP No.: 1774

ICSI UDIN: F004206F000322381

Place: Thane

Date: May 8, 2024

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
**The Members of
Larsen & Toubro Limited**
L&T House, Ballard Estate,
Mumbai 400001

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of the Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interest as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

as submitted by the Directors of **Larsen & Toubro Limited** ('the Company') bearing CIN: L99999MH1946PLC004768 and having its registered office at L&T House, Ballard Estate, Mumbai 400001, to the Board of Directors of the Company ('the Board') for the **Financial Year 2023-24** and **Financial Year 2024-25** and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that during the **Financial Year ended March 31, 2024**, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
01	Mr. Anilkumar Manibhai Naik	00001514	23-11-1989	30-09-2023
02	Mr. Sekharipuram Narayanan Subrahmanyam	02255382	01-07-2011	—
03	Mr. Ramamurthi Shankar Raman	00019798	01-10-2011	—
04	Mr. Maddur Venkata Rao Satish	06393156	29-01-2016	07-04-2024
05	Mr. Subramanian Sarma	00554221	19-08-2015	—
06	Mr. Sudhindra Vasantrao Desai	07648203	11-07-2020	—
07	Mr. Tharayil Madhava Das	08586766	11-07-2020	—
08	Mr. Anil Vithal Parab	06913351	05-08-2022	—
09	Mr. Mukund Manohar Chitale	00101004	06-07-2004	31-03-2024
10	Mr. Meleveetil Damodaran	02106990	22-10-2012	31-03-2024
11	Mr. Vikram Singh Mehta	00041197	22-10-2012	31-03-2024
12	Mr. Adil Siraj Zainulbhai	06646490	30-05-2014	—
13	Mr. Sanjeev Aga	00022065	25-05-2016	—
14	Mr. Narayanan Kumar	00007848	27-05-2016	—

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
15	Mr. Hemant Bhargava	01922717	28-05-2018	—
16	Mrs. Preetha Reddy	00001871	01-03-2021	—
17	Mr. Pramit Jhaveri	00186137	01-04-2022	—
18	Mr Rajnish Kumar	05328267	10-05-2023	—
19	Mr. Jyoti Sagar	00060455	10-05-2023	—
20	Mr Ajay Tyagi	00187429	31-10-2023	—
21	Mr. P.R. Ramesh	01915274	31-10-2023	—

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the **Financial Year ended March 31, 2024**.

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries

ICSI Unique Code P1991MH040400

Peer Review Cert. No. 5218/2023

S. N. Ananthasubramanian

Founding Partner

FCS: 4206 | COP No. : 1774

ICSI UDIN: F004206F000270450

Date : April 29, 2024

Place : Thane

To the Board of Directors of Larsen & Toubro Limited

Dear Sirs,

Sub: CEO / CFO Certificate**[Issued in accordance with provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

We have reviewed the consolidated financial statements, read with the consolidated cash flow statement of Larsen & Toubro Limited for the year ended March 31, 2024 and that to the best of our knowledge and belief, we state that;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) that there were no significant changes in internal controls over financial reporting during the year;
 - (ii) that there were no significant changes in accounting policies made during the year; and
 - (iii) that there were no instances of significant fraud of which we have become aware.

Yours sincerely,

R. Shankar Raman
*Whole-time Director &
Chief Financial Officer*
DIN: 00019798

S. N. Subrahmanyam
*Chairman &
Managing Director*
DIN: 02255382

Date: May 8, 2024

Annexure 'C' to the Board Report

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED MARCH 31, 2024

1. Brief outline on CSR Policy of the Company

L&T strives to promote initiatives that enhance the quality of life for communities to achieve inclusive growth through empowerment and work towards social equity. L&T CSR has been working towards the social and economic development of communities at various locations across the country. The Company has a well-entrenched CSR program that contributes to inclusive growth and accelerating development through interventions in Water and Sanitation, Health, Education and Skill Development.

The Company's CSR Policy framework details the mechanisms for undertaking various programmes in accordance with Section 135 of the Companies Act, 2013 (the Act) for the benefit of the community.

The Company's primary focus is on **'Building India's Social Infrastructure'** as part of its CSR programme which will include, amongst others, the following areas, viz.

- **Water & Sanitation** – includes but not limited to watershed development - access to water, promoting rainwater harvesting, soil and moisture conservation, enhancing ground water levels by facilitating setting up of community-based institutions such as village development committees, Self-help groups, farmer groups and community management of water resources for improving conditions related to sanitation, health, education, and livelihoods of communities through an integrated approach.
- **Education** - includes but not limited to education infrastructure support to educational Institutions, educational programs & nurturing talent at various levels. Promoting learning enhancement amongst children, both in schools and in communities through interventions in pre-school education, innovative teaching methodology and training teachers in schools, providing interesting "teaching learning material", with special focus on Science, Technology Engineering and Maths (STEM) subjects.

This is achieved through support to Balwadis and Anganwadis, strengthening the in-school interventions and providing after school study classes in the community. A renewed focus on kindling curiosity and scientific temper amongst students through experiential learning is deployed through the STEM programme which also focuses on training teachers to deploy imaginative pedagogy in the classroom.

- **Health** - Activities including but not limited to community health centres, mobile medical vans, dialysis centres, general and specialized health camps and outreach programs, support to HIV / AIDS, Tuberculosis control programs continued with renewed focus in the post COVID scenario. A renewed impetus was provided to improve health awareness and promote health seeking behaviour in communities.
- **Skill Development** - includes but not limited to vocational training such as skill building, computer training, women empowerment, support to ITI's, support to specially-abled (infrastructure support & vocational training), Construction Skills Training Centres and providing employability skills to women and youth.

In line with the 'Skill India Mission', initiatives such as digitization of curriculum, deploying hands-on-teaching learning methodology and providing platform skills training to Master Trainers through the Skill Training Institute provided an impetus to the skilling ecosystem within the country.

Governance, Technology, and Innovation would be the Key enabling factors across all these verticals.

2. Composition of CSR & Sustainability Committee.

The CSR & Sustainability Committee of the Board comprised of:

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. M. M. Chitale*	Chairman (Independent Director)	3	3
2	Mr. R. Shankar Raman	Member (Whole-time Director)	3	3
3	Mr. S. V. Desai§	Member (Whole-time Director)	3	3

* Ceased to be a member of the committee effective closure of March 31, 2024.

§ Appointed as a member of the committee with effect from 8th April, 2023.

Mr. Ajay Tyagi (Independent Director) has been appointed as the Chairman of the Committee and Mr. Jyoti Sagar (Independent Director) has been appointed as member of the Committee with effect from April 1, 2024.

Mr. Sivaram Nair A., Company Secretary & Compliance Officer of the Company, acts as the Secretary of the Committee.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Annual Action Plan for FY 2023-24 approved by the Board are disclosed on the website of the Company.

The Composition of CSR Committee, CSR Policy Framework and CSR Annual Action Plan for FY 2023-24 approved by the Board are available in the Corporate Governance section on the website of the Company. Please see the following links:

- Composition of CSR Committee - <https://investors.larsentoubro.com/governance-architecture.aspx>
- CSR Policy - <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>
- CSR Annual Action Plan for FY 2023-24 - <https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

25 CSR projects which were implemented in FY 2021-22, qualified for the 3rd party social impact assessment. Out of these, 15 projects were assessed by **4th Wheel Social Impact** and 10 projects were assessed by **Thinkthrough Consulting** during FY 2023-24.

The Impact Assessment reports are made available on the website of the Company at <https://investors.larsentoubro.com/listing-compliance-agm.aspx>. An executive summary of the same is provided below:

Key findings from Thinkthrough Consulting:

Thinkthrough Consulting utilized the Organization for Economic Co-operation and Development (OECD) Development Assistance Committee's (DAC) framework to evaluate the relevance, effectiveness, impact, and sustainability of the CSR programs. The study was done by using mixed methodology wherein both quantitative and qualitative data was collected.

In terms of **relevance**, the analysis of both qualitative and quantitative data indicates that health programs and integrated community development initiatives are in alignment with Section 135 and Schedule VII of Companies Act 2013 and several Sustainable Development Goals (SDGs) namely SDG 1: No poverty, SDG 3: Ensure healthy lives and promote well-being for all at all ages, SDG 4: Quality education, SDG 6: Clean water and sanitation, and SDG 10: Reduced inequalities. Furthermore, these programs resonate with state and national priorities and schemes, while also addressing the specific needs of the communities where they have been implemented.

The projects have been found to be **effective**. Findings from the report reveal the meticulous planning, overall target achievement within the planned timeline and capacity building of relevant stakeholders ensuring **efficiency** of the programs and its implementation.

The projects have created **impact** on the lives of the project participants/beneficiaries. The projects have led to an enhanced quality of life by fostering improved livelihood opportunities, increased income and savings, and better access to essential services such as healthcare, education, and knowledge for sustainable living.

Regarding **sustainability**, the programs have been structured to actively involve local communities, empowering them to champion positive practices for the future.

Overall, it can be concluded that together all these elements formed the backbone of successful programs, driving positive change and societal development.

Key findings from 4th Wheel Social Impact

4th Wheel Social Impact assessed the impact and sustainability of the projects implemented in the FY 2021-22, using the criteria outlined by OECD/DAC (Relevance, Coherence, Efficiency, Effectiveness, Impact and Sustainability) to delve into the measurable, concrete outcomes and the less tangible, qualitative effects on the beneficiaries and the broader community. A mixed-methods approach was employed to ensure a holistic understanding of the projects.

Relevance and Coherence

Relevance and coherence were evident in all CSR projects, which effectively addressed the needs of marginalized communities such as rural youth, tribal groups, and disadvantaged women. These initiatives are aligned with Schedule VII of the Companies Act 2013, particularly Sections 1 and 2, and contributed to Sustainable Development Goals 1 (No Poverty), 4 (Quality Education), 5 (Gender Equality), 9 (Industry, Innovation, and Infrastructure) and 10 (Reduced Inequalities), highlighting their alignment with broader societal objectives.

Effectiveness and Efficiency

Construction Skills Training Institute (CSTI) achieved a 71% placement rate for 6,400 participants. Skill Training Academy (STA) benefited 436 trainers with an NPS (Net Promoter Score - which Indicates the likelihood of stakeholders recommending the programme to others) of 87, indicating high satisfaction. Construction of Residential School and Skill Institute project provided well-equipped facilities and focused skill training for school dropout tribal children. E-content Development project ensured standardized, reliable, and consistent delivery of technical information to bridge the gap between conventional training methods and technical learning.

Under the STEM Education project, all schools received smart class tools, with 88% of teachers trained in science, math, and STEM model-making displaying a high acceptance and inclination towards utilizing digital tools in classrooms. L&T's School Support Program improved the school infrastructure, facilitated digital learning access, and ensured teacher salaries, reflecting efficient resource allocation. Equipped with computer labs and digital tools, teachers underwent comprehensive training, and digital classes were integrated into the curriculum for all subjects, indicating effective use of technology in education. Education initiatives in Mumbai and Chennai improved health and hygiene by constructing toilets and enhanced student proficiency through remedial classes.

Health projects in Mumbai provided comprehensive support to mentally challenged women and children with cancer, including medical, psychological, educational and vocational assistance. For vocational skill centers, 271 women candidates were trained in West Bengal, Gujarat, Odisha, Karnataka, and Tamil Nadu.

Impact and Sustainability

Skill Development initiatives like CSTIs and STA significantly enhanced technical skills and soft skills among trainees, ensuring their readiness for the workforce. E-content provision across CSTIs effectively addressed language barriers, leading to improved learning outcomes for trainees. 74% of alumni acknowledged its benefits. Infrastructure support in tribal communities such as Bodeli and Kansbahal boosted school attendance and laid a robust foundation for providing enhanced learning opportunities.

Digital and STEM support to schools bolstered student proficiency in mathematics and science while nurturing 21st-century skills and STEM aspirations. Prayas Trust's Community Development Activities resulted in establishing solid educational foundations in low-resourced government schools, enhanced health and well-being among disadvantaged communities, and self-employment among women through vocational training.

	₹ Crore
5. (a) Average net profit of the company as per sub-section (5) of section 135.	7,548.78
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	150.98
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	–
(d) Amount required to be set-off for the financial year, if any.	8.81
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	142.17

₹ Crore

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). 146.97
- b) Amount spent in Administrative Overheads 7.37
- c) Amount spent on Impact Assessment, if applicable 0.49
- d) Total amount spent for the Financial Year [(a)+(b)+(c)]. 154.83
- e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹ crore)	Amount Unspent (in ₹ crore)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
154.83		NIL		NIL	

f) Excess amount for set-off, if any:

Sl. No	Particulars	Amount (in ₹ crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	150.98
(ii)	Total amount spent for the Financial Year @	163.64
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	12.66
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	12.66

@ this includes ₹ 8.81 crore excess CSR amount spent during FY 2022-23 and adjusted against the required CSR spend for FY 2023-24.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub- section (6) of Section 135 (in ₹ crore)	Balance Amount in Unspent CSR Account under Sub- section (6) of Section 135 (in ₹ crore)	Amt. Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Sub- section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹ crore)	Deficiency, if any
					Amount (in ₹ crore)	Date of Transfer		
1	FY-1							
2	FY-2							
3	FY-3							

NOT APPLICABLE

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☒ YES ☐ NO

If Yes, enter the number of capital assets created/ acquired: 1387

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

Details of capital assets created or acquired through Corporate Social Responsibility amount is available on the Company's website
<https://investors.larsentoubro.com/listing-compliance-agm.aspx>.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

NOT APPLICABLE

S. N. Subrahmanyam

Chairman & Managing Director

DIN: 02255382

Ajay Tyagi

Chairman - CSR Committee

DIN: 00187429

Date : May 8, 2024

Place : Mumbai

Annexure 'D' to the Board Report

A. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY 2023-24, the percentage increase in remuneration of each Director & Company Secretary during FY 2023-24 and comparison of the remuneration of each of the Director/Key Managerial Personnel (KMP) against the performance of the Company:

₹ crore

Name of the Director/KMP	Designation	Total Remuneration	Ratio of remuneration of director to the median remuneration ***	Percentage increase in Remuneration
Mr A.M. Naik [%]	Non-executive Chairman	1.69	35.44	~
Mr. S. N. Subrahmanyam ^{%%}	Chairman & Managing Director	51.05	534.57	43.11%
Mr. R. Shankar Raman	President, Whole-time Director & CFO	31.66	331.52	42.84%
Mr. D. K. Sen [#]	Whole-time Director & Senior Executive Vice President (Development Projects)	22.92	~	~
Mr. M. V. Satish ^{\$}	Whole-time Director & Senior Executive Vice President (Buildings)	13.80	144.47	11.79%
Mr. Subramanian Sarma	Whole-time Director & President (Energy)	37.04	387.83	46.50%
Mr. S. V. Desai	Whole-Time Director & Senior Executive Vice President (Civil Infrastructure)	19.22	201.24	43.82%
Mr. T. Madhava Das	Whole-Time Director & Senior Executive Vice President (Utilities)	18.73	196.13	63.22%
Mr. Anil V Parab	Whole-Time Director & Senior Executive Vice President (Heavy Engineering and Valves)	12.52	131.11	132.15% ⁺
Mr. M. M. Chitale [@]	Independent Director	0.72	7.49	4.00%
Mr. M. Damodaran [@]	Independent Director	0.65	6.75	6.09%
Mr. Vikram Singh Mehta [@]	Independent Director	0.56	5.87	5.25%
Mr. Adil Zainulbhai	Independent Director	0.58	6.10	2.84%
Mr. Sanjeev Aga	Independent Director	0.52	5.48	5.21%
Mr. Narayanan Kumar	Independent Director	0.53	5.53	-5.30%
Mr. Hemant Bhargava [^]	Nominee of Life Insurance Corporation of India	0.29	2.99	-6.37%
Mrs. Preetha Reddy	Independent Director	0.22	2.27	-20.51%
Mr. Pramit Jhaveri	Independent Director	0.37	3.86	1.57%
Mr. Jyoti Sagar [*]	Independent Director	0.22	2.54	~
Mr. Rajnish Kumar [*]	Independent Director	0.22	2.54	~
Mr. Ajay Tyagi ^{**}	Independent Director	0.13	3.25	~

₹ crore

Name of the Director/KMP	Designation	Total Remuneration	Ratio of remuneration of director to the median remuneration ***	Percentage increase in Remuneration
Mr. P. R. Ramesh**	Independent Director	0.13	3.25	~
Mr. Sivaram Nair A	Company Secretary & Compliance Officer	1.72	17.98	7.91%

% Remuneration of Mr. A. M. Naik excludes ₹ 1.5 crore paid to him during the financial year towards pension. Mr. Naik ceased to be the Non-executive Chairman with effect from September 30, 2023

%% Appointed as Chairman and re-designated as Chairman & Managing Director with effect from October 1, 2023.

\$ Ceased to be a Whole-time Director with effect from April 7, 2024 on account of superannuation.

Ceased to be Whole-time Director with effect from April 7, 2023 on account of superannuation.

^ Part of the remuneration has been paid to the financial institution he represents

@ Ceased to be Independent Directors with effect from March 31, 2024 on account of completion of tenure

+ Impact of full year remuneration of new director/KMP appointed during FY 2022-23

* Appointed as Independent Directors with effect from May 10, 2023

** Appointed as Independent Directors with effect from October 31, 2023

*** Ratio of remuneration of director to the median remuneration is calculated on pro-rata basis for those directors who served for only part of FY 2023-24

~ Details not given as the Director was there for part of the year.

B. Percentage increase in the median remuneration of all employees in FY 2023-24:

The median remuneration of employees of the Company during the financial year was ₹ 9.55 lakh. In the financial year, there was an increase of 1.32% in the median remuneration of employees.

C. Number of permanent employees on the rolls of the Company as on March 31, 2024:

There were 59,018 permanent employees on the rolls of the Company as on March 31, 2024.

D. Average percentile increase made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in

the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration

Average percentage increase made in the salaries of employees other than the managerial personnel for the FY 2023-24 was 1.74% whereas there is an increase in the managerial remuneration by 20.38%. Increase in managerial remuneration is mainly on account of higher profits and increase in commission rates.

E. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Annexure 'E' to the Board Report

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Larsen & Toubro Limited
CIN: L99999MH1946PLC004768
L&T House, Ballard Estate,
Mumbai – 400001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Larsen & Toubro Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable as there was no reportable event during the financial year under review**;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review**;
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 ;
- h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- vi. The Company has informed that there are no laws which are specifically applicable to the Company.

We have also examined compliance with the applicable provisions of the following:

- (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and a Woman Director. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors of the schedule of the Board and Committee Meetings and Agenda & detailed notes on agenda were sent at least seven days in advance and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting;
- All decisions of Board and Committee meetings were carried unanimously.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following events have occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

The Company has:

- redeemed Non-Convertible Debentures of ₹ 1,250 crore on April 20, 2023, ₹ 3,450 crore on April 24, 2023 and ₹ 100 crore on May 24, 2023, respectively on their due dates;

- raised ₹ 450 crore by way of receipt of call money pursuant to Third Balance Payment (Final) notice of ₹ 2,50,000 each towards 18,000 partly paid Non-Convertible Debentures on April 24, 2023;
- raised ₹ 7,000 crore by issue and allotment of 7,00,000 Non-Convertible Debentures of ₹ 1 Lac each aggregating to a) ₹ 3,500 Crore on June 8, 2023, b) ₹ 1,500 Crore on November 2, 2023 and c) ₹ 2,000 Crore on November 9, 2023;
- completed Buy-back of 3,12,50,000 fully paid up equity shares of the Company of face value of ₹ 2/- (Rupees Two only) each at a price of ₹ 3,200/- (Rupees Three Thousand Two Hundred Only) per equity share aggregating ₹ 10,000 crore on a proportionate basis from the Equity Shareholders of the Company, through the tender offer process on September 30, 2023;
- The Board at its meeting held on January 30, 2024 has approved Merger of L&T Energy Hydrocarbon Engineering Limited and L&T Offshore Private Limited, wholly owned subsidiaries, with the Company. The Company has made application(s) with necessary statutory and regulatory Authorities for the approval of Merger Scheme including to National Company Law Tribunal (NCLT).

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For S. N. ANANTHASUBRAMANIAN & Co.

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Ananthasubramanian

Founding Partner

FCS: 4206 | COP No.: 1774

ICSI UDIN: F004206F00322293

Date : May 8, 2024

Place : Thane

Annexure – A

To,

The Members,**Larsen & Toubro Limited**

CIN: L99999MH1946PLC004768

L& T House, Ballard Estate,
Mumbai – 400001.

Our Secretarial Audit Report for the Financial Year ended March 31, 2024, of even date is to be read along with this letter.

Management's Responsibility

- 1 It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

- 2 Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- 3 We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
- 4 We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

- 5 Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
- 6 Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

- 7 The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 8 We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For **S. N. ANANTHASUBRAMANIAN & Co.**

Company Secretaries

ICSI Unique Code: P1991MH040400

Peer Review Cert. No.: 5218/2023

S. N. Ananthasubramanian

Founding Partner

FCS: 4206 | COP No.: 1774

ICSI UDIN: F004206F000322293

Date : May 8, 2024

Place : Thane

Annexure 'F' to the Board Report

NOMINATION & REMUNERATION POLICY

(As per Companies Act, 2013)

The Board of Directors of Larsen & Toubro Limited ("the Company") had constituted the "Nomination & Remuneration Committee" which is in compliance with the requirements of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

1. OBJECTIVE:

The Nomination & Remuneration Committee and this Policy shall be in compliance with Section 178 of the Act read along with the applicable rules thereto and Regulation 19 of LODR. The Key Objectives of the Committee would be:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out by the Board or the Nomination & Remuneration Committee or by an Independent External Agency and review its implementation and compliance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- To ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- Devising a policy on Board diversity;

2. DEFINITIONS:

2.1. Act means the Companies Act, 2013 or Companies Act, 1956 as may be applicable and Rules framed thereunder, as amended from time to time.

2.2. Board means Board of Directors of the Company.

2.3. Directors mean Directors of the Company.

2.4. Executive Directors means the Executive Chairman if any, Chief Executive Officer and Managing Director, Deputy Managing Director, if any and Whole-time Directors.

2.5. Key Managerial Personnel means

- Chief Executive Officer or the Managing Director or the Manager;
- Whole-time Directors;
- Chief Financial Officer;
- Company Secretary;
- Senior Management Personnel designated as such by the Board; and
- Such other officer as may be prescribed.

2.6. Senior Management Personnel means all members of management one level below the Executive Directors including the Chief Financial Officer and Company Secretary. Presently, persons in Sr. Vice President grade and F&A heads of Independent Companies reporting to Whole-time Directors will be covered as Senior Management Personnel.

3. ROLE OF COMMITTEE:

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience

of the person for appointment as Director and recommend to the Board his / her appointment.

Appointment and Remuneration of KMP or Senior Management Personnel is in accordance with the HR Policy of the Company. The Company's policy is committed to acquire, develop and retain a pool of high calibre talent, establish systems and practises for maintaining transparency, fairness and equity and provides for payment of competitive pay packages matching industry standards.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Director who has attained the retirement age fixed by the Board or as approved by the Shareholders pursuant to the requirement of the Act / LODR.

3.2.2. Term / Tenure

a) Executive Directors:

The Company shall appoint or re-appoint any person as its Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Directors:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. The rationale for such re-appointment shall also be provided in the Notice to Shareholders proposing such re-appointment.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the

Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

c) Maximum Number of Directorships:

- A person shall not be appointed as a Director in case he is a Director in more than eight listed companies after April 1, 2019 and seven listed companies after April 1, 2020. For the purpose of this clause listed companies would mean only those companies whose equity shares are listed.

3.2.3. Evaluation

The Committee shall by itself or through the Board or an independent external agency carry out evaluation of performance of the Board / Committee(s), Individual Directors and Chairman at regular interval (yearly) and review implementation and compliance.

The Company may disclose in the Annual Report:

- a. Observation of the Board Evaluation for the year under review
- b. Previous years observations and actions taken
- c. Proposed actions based on current year's observations

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act or the prevailing policy of the Company, as applicable. The Board / Committee will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or

otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration of Executive Director, KMP and Senior Management Personnel

3.3.1. General:

- a) The remuneration / compensation / commission etc. to the Executive Directors will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Executive Directors shall be in accordance with the percentage / limits / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Executive Directors.
- d) Where any insurance is taken by the Company on behalf of its Executive Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) Remuneration of other KMP or Senior Management Personnel, in any form, shall be as per the policy of the Company based on the grade structure in the Company.

3.3.2. Remuneration to Executive Directors/KMP and Senior Management Personnel:

a) Fixed pay:

The Executive Directors / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee or policy of the Company. In case of remuneration to Directors, the breakup of the pay scale and quantum of perquisites including, employer's

contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board / the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Chairman/Managing Director/Whole-time Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

d) Stock Options in Subsidiary Companies:

Executive Directors may be granted stock options in subsidiary companies as per their Schemes and after taking necessary approvals. Perquisites may be added to the remuneration of concerned Directors and considered in the limits applicable to the Company.

3.3.3. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act. The Board of Directors will fix the Commission payable to Directors on the basis of number of Board/Committee meetings attended during the year and Chairmanships of Committees.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company. Non-Executive Directors are eligible for Stock options in accordance with Schemes formulated by the Company. Nominee Directors are not entitled to stock options as per their respective nomination letters received by the Company.

4. MEMBERSHIP

- 4.1** The Committee shall consist of a minimum three (3) non-executive Directors, half of them being independent.
- 4.2** Minimum two (2) members or one-third of the members whichever is greater including atleast one Independent Director shall constitute a quorum for the Committee meeting.
- 4.3** Membership of the Committee shall be disclosed in the Annual Report.
- 4.4** Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- 5.1** Chairperson of the Committee shall be an Independent Director.
- 5.2** Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3** In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4** Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held atleast once in a year and at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- 7.1** A member of the Committee is not entitled to be present/participate in discussion when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2** The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- 10.1** Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.2** Determining the appropriate size, diversity and composition of the Board;
- 10.3** Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.4** Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.5** Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.6** Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or

termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

- 10.7 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.8 Recommend any necessary changes to the Board; and
- 10.9 Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- 11.1 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 To ensure the remuneration maintains a balance between fixed and incentive pay reflecting short and

long term performance objectives appropriate to the working of the Company.

- 11.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 To consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF NOMINATION AND REMUNERATION COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

13. REVIEW & AMENDMENT:

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Executive Committee has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LARSEN & TOUBRO LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Larsen & Toubro Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and which includes 31 joint operations accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the joint operations referred to in the Other Matters section below, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current financial year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition – accounting for construction contracts

Key audit matter description	<p>There are significant accounting judgements in estimating revenue to be recognised on contracts with customers, including estimation of costs to complete. The Company recognises revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract.</p> <p>Significant judgements are involved in determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is highly probable.</p> <p>Refer to Note No. [1](II)(e) and 31 to the Standalone Financial Statements</p>
Principal Audit Procedures	<p>Our audit procedures related to the (1) identification of distinct performance obligations, (2) evaluation of the process for estimation of costs to complete (3) evaluation of implications of change orders on costs estimates of costs to complete and revenue and (4) evaluation of any variable consideration included the following, amongst others:</p> <ul style="list-style-type: none"> We tested the effectiveness of controls relating to the (a) evaluation of performance obligations and identification of those that are distinct; (b) estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; (c) the impact of change orders on the transaction price of the related contracts; and (d) evaluation of the impact of variable consideration on the transaction price. We selected a sample of contracts with customers and performed the following procedures: <ul style="list-style-type: none"> Obtained and read contract documents for each selection, change orders, and other documents that were part of the agreement. Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.

Revenue recognition – accounting for construction contracts

- c. Compared costs incurred with Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract.
 - d. Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation.
-

Measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices.

Key audit matter description	<p>The Company, in its contract with customers, promises to transfer distinct services to its customers, which may be rendered in the form of engineering, procurement, and construction ("EPC") services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could be based on agreed unit price or lump-sum revenue arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's performance has resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, or in the case of certain Defence contracts, where the evidence of work carried out and cost incurred are covered by confidentiality arrangements, involves a significant judgement. Assessing the recoverability of contract assets related to overdue milestones and amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period also involves a significant amount of judgment. Refer to Note Nos. [1](II)(e), [1](II)(m), 11 and 16 to the Standalone Financial Statements</p>
Principal Audit Procedures	<p>Our audit procedures related to the (1) evaluation of evidence supporting the execution of work; (2) evaluation of recoverability of the overdue amounts including the impact on the expected credit loss allowance; and (3) assessment of adjusting events after the reporting date i.e. March 31, 2024 and the date when the financial statements are approved by the Company's Board of Directors included the following amongst others:</p> <ul style="list-style-type: none"> • We tested the design, implementation and operating effectiveness of internal controls relating to the (a) gathering and evaluation of evidence supporting the execution of work; (b) evaluation of recoverability of the overdue amounts including the impact on the expected credit loss allowance; and (c) assessment of adjusting events after the reporting date i.e. March 31, 2024 and the date when the financial statements are approved by the Board of Directors and the impact thereof on the carrying amount of the related contract assets, measurement of contract assets in respect of overdue milestones and receivables in respect of overdue invoices. • We selected a sample of contracts assets with corresponding trade receivables that were overdue and evaluated the basis for management's conclusions regarding the (1) evidence supporting the execution of work for which the contract assets were recognised; (2) reasons for the delays in recovery of invoices and the basis on which recoverability of the contract assets was assessed; (3) impact on the allowance for expected credit losses; and (4) adjusting events after the reporting date i.e. March 31, 2024 and the date when the financial statements are approved by the Board of Directors and the impact thereof on the carrying amount of the related contract assets. • In respect of the sample contracts, we compared previous estimates relating to recoverability of contract assets and compared it with actual collections during the year.

Impairment of Investment in a Subsidiary

Key audit matter description	<p>As at March 31, 2024, the Company held investment with a carrying amount of ₹ 7412.99 crore (excluding investment of ₹ 436.36 crore in debentures) in L&T Metro Rail (Hyderabad) Limited, a wholly owned subsidiary. This investment is carried at cost less impairment in the Company's Standalone Financial Statements. Consequent to accumulation of losses incurred by the subsidiary, the Company's management has tested this investment for impairment in accordance with Ind AS 36 by comparing its recoverable amount with its carrying amount as at March 31, 2024. The recoverable amount of the investment in the subsidiary is assessed based on future discounted cash flows of the subsidiary.</p> <p>We considered this as a key audit matter due to significant judgement involved in estimating future cash flows of the subsidiary and in determining the discount rate to be used. Changes in inputs and assumptions could impact the results of the impairment assessment.</p> <p>Refer to Note Nos. [1](II)(m) and 5 to the Standalone Financial Statements.</p>
Principal Audit Procedures	<p>Our audit procedures related to forecasts of future traffic, revenue, free cash flows generated, selection of the method for estimating recoverable value and discount rate for the entity:</p> <ul style="list-style-type: none"> • We tested the effectiveness of controls over forecasts of future traffic, revenue, free cash flows and selection of the discount rate; • We evaluated the reasons for variation between the management's previous estimate of traffic, revenue and cash flow forecasts and obtained our understanding of the manner in which revised forecasts were obtained;

Impairment of Investment in a Subsidiary

- With the assistance of our fair value specialists who have specialised skill and knowledge, we evaluated the reasonableness of the methodology and discount rate by testing the source information underlying the determination of the discount rate and mathematical accuracy of the calculations; and
- We performed sensitivity analysis of the discount rate to assess the extent of change in discount rate that would be required for the investment to be impaired.

Information Other than the Financial Statements and Auditor's Report Thereon ('other information')

The Board of Directors of the Company is responsible for the other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the Standalone Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Standalone Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Standalone Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- We did not audit the financial information of 30 joint operations included in the Standalone Financial Statements of the company whose financial information reflects total assets of ₹ 3509.61 crore as at March 31, 2024, total revenues of ₹ 4434.70 crore and net cash flows of ₹ (377.92) crore for the year ended March 31, 2024, respectively, as considered in the Standalone Financial Statements. The financial information of these joint operations has been audited by the other auditors whose reports have been furnished to us by the Management of the Company, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operations, is based solely on the reports of such other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our opinion on the Standalone Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and based on the consideration of the reports of other auditors on the separate financial information of the joint operations, referred to in Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company and its joint operation companies so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements (Refer Note No 29 to the Standalone Financial Statements);

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement; and
 - v. The amount of dividend is in accordance with Section 123 of the Act.
 - a) The final dividend paid by the Company during the year in respect of the same declared for the previous year and the interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 - b) As stated in note 17 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
 - vi. Based on our examination which included test checks, the Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.
 As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

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

Rupen K. Bhatt

Partner

(Membership No. 046930)

UDIN: 24046930BKEZVP9659

Place: Mumbai

Date: May 08, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Larsen and Toubro Limited (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls with reference to Standalone Financial Statements of one of the Company's 31 joint operations which is a company incorporated in India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements of the Company and its joint operations company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing ("SA"s) prescribed under Section 143(10) of the Companies Act, 2013 (the "Act"), to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor of the joint operation which is a company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to Standalone Financial Statements of the joint operation referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Standalone Financial Statements insofar as it relates to one joint operation which is a company incorporated in India, is based on the corresponding report of the other auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

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

Rupen K. Bhatt

Partner

(Membership No. 046930)

UDIN: 24046930BKEZVP9659

Place: Mumbai

Date: May 08, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Larsen & Toubro Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of the Company's property, plant and equipment and intangible assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in progress, investment properties and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of its property, plant and equipment and investment properties so to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain assets were due for verification during the year and were physically verified by the Management during the year. No material discrepancies were noticed on such verification.
 - (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements as a part of property, plant and equipment, capital work-in progress and investment property and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

₹ crore

Description of property	Gross carrying value as at March 31, 2024 (₹ crore)	Carrying value in the financial statements as at March 31, 2024 (₹ crore)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of Company Also indicate if in dispute
Freehold Land – Hazira West	1.01	1.01	1. Magan Kuber * 2. Kashiben Patel 3. Ishwar Prema	No	12 years (Since 2012)	Land acquired from farmers through Government Acquisition Route. The formalities are pending from the authorities side.

* Irrevocable Power of Attorney given to L&T by the owners, possession is with L&T

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated or is pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) In respect of the Company's inventories:
- (a) The inventories except for goods in transit, were physically verified during the year by the Management at reasonable intervals. In case of real estate inventory wherein, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification to the extent of work completion by competent persons, are at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
 - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has made investments in, provided guarantee and granted loans, secured or unsecured, to companies or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

₹ crore

Particulars	Loans	Guarantees	Security
Aggregate amount granted / provided during the year:			
Subsidiaries	1013.26	400.00	NIL
Joint Venture	NIL	NIL	NIL
Associates	NIL	NIL	NIL
Others	NIL	NIL	NIL
Balance Outstanding as at balance sheet date in respect of above cases*			
Subsidiaries	623.89	NIL	NIL
Joint Venture	NIL	NIL	NIL
Associates	NIL	NIL	NIL
Others	NIL	NIL	NIL

*The amounts reported are at gross amounts (including interest accrued), without considering provisions made and includes investments made in debt instruments issued by subsidiaries.

The Company has not provided any advances in the nature of loans to any other entity during the year.

- (b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation, except for the following:

Name of the entity	Nature	Amount in ₹ crore	Due Date	Extent of Delay	Remarks, if any
L&T Special Steel & Heavy Forgings Pvt. Ltd.	Principal on Working Capital and Project Funding Loan	1730.38	June 30, 2022	641 days	Principal on Working Capital and Project Funding Loan remains outstanding as on March 31, 2024
L&T Special Steel & Heavy Forgings Pvt. Ltd.	Interest on Working Capital and Project Funding Loan	168.05	June 30, 2022	641 days	Interest on Working Capital and Project Funding Loan remains outstanding as on March 31, 2024

Refer to Note No. 63(a)(ii) to the Standalone Financial Statements.

- (d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal and interest.

₹ crore

No. of cases.	Principal amount overdue	Interest overdue	Total overdue	Remarks, if any
1.	1730.38	341.15	2071.53	Principal and Interest on Working Capital and Project Funding Loan remains outstanding as on March 31, 2024

Refer to Note No. 63(a)(ii) to the Standalone Financial Statements.

- (e) During the year loans aggregating to ₹ 303.50 crore fell due has been renewed. The details of such loans that fell due and were renewed during the year are stated below:

₹ crore

Name of the Party	Aggregate amount of existing loans renewed.	Percentage of the aggregate to the total loans or advances granted during the year
L&T Sapura Shipping Private Limited (Bridge Loan) due on September 30, 2023 extended upto March 31, 2024 (USD 15,240,000)*	126.56	12.49%
L&T Sapura Shipping Private Limited (Shareholder's Loan) due on December 31, 2023 extended upto December 31, 2024 (USD 21,260,000)	176.94	17.46%

*The same has been repaid before the due date.

Refer to Note No. 63(a)(i) to the Standalone Financial Statements.

- (f) The Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Act, to the extent applicable, in respect of grant of loans, making investments and providing guarantees and securities during the year, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained during the year by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

₹ crore

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Involved	Amount Unpaid
Goods and Services Tax Act, 2017	Dispute of questions of law, Classification dispute, Tax levied on goods-in-transit, labour charges & disallowance of input tax credit on deemed export sales	Appellate authority	2017-18 to 2020-21, 2022-24	40.98	31.31
	Disallowance of input tax credits, credits claimed in Tran-1, Mismatch of Return, GST rate dispute and other matters	Commissioner (Appeals)	2017-23	248.96	234.30
	Disallowance of input tax credits, credits claimed in Tran-1, Mismatch of Return, GST rate dispute and other matters	Assistant Joint Commissioner/ Assistant Commissioner/ Deputy Commissioner/ Joint Commissioner	2017-23	137.96	128.23
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, and other matters.	Supreme Court of India	1999-00, 2011-12 to 2015-16	10.89	–

₹ crore					
Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Involved	Amount Unpaid
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, and other matters.	High Court	2008-09 to 2011-12, 2017-18	50.01	11.00
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, Service tax demand import of service for GDR, and other matters.	CESTAT/ Department	2002-09, 2011-20	1485.01	1406.85
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, and other matters.	Additional Commissioner Appeal, Appellate DC, Commissioner Appeals, Deputy Commissioner Appeals, Deputy Commissioner	2006-10, 2013-18, 2021-22	137.63	136.54
	Differential Custom Duty	DGFT	2016-17, 2021-22	1.05	0.79
	Dispute regarding questions of law, classification dispute, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods and other matters	Supreme Court of India	2006-18	720.74	699.74
The Central Sales Tax Act, Entry tax, Local Sales Tax Act, Works Contract Tax Act and Goods & Services Tax Act	Dispute regarding questions of law, classification dispute, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, Non submission of Forms, inter-state sale turnover, Rate of tax of declared goods, Labour & service charges disallowed, Disallowance of exemptions claimed for imports & Sales in transit, Road permit issue and other matter	High Court	1986-99, 1999-01, 1999-2016, 2000-16	180.51	164.81
	Dispute regarding questions of law, classification dispute, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods and other matters	Appellate Board	2008-15	0.21	0.21
	Dispute regarding questions of law, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, non submission of Forms, classification disputes, inter-state sale turnover, Rate of tax of declared goods, Labour & service charges disallowed, Disallowance of exemptions claimed for imports & Sales in transit, Road permit issue and other matter	Sales Tax/VAT Tribunal	1991-2018, 1994-99, 2003-16	717.64	556.44

₹ crore					
Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which amount relates	Amount Involved	Amount Unpaid
The Central Sales Tax Act, Entry tax, Local Sales Tax Act, Works Contract Tax Act and Goods & Services Tax Act	Dispute regarding questions of law, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, non submission of Forms, classification disputes, inter-state sale turnover, Rate of tax of declared goods, Labour & service charges disallowed, Disallowance of exemptions claimed for imports, Road permit issue and other matter	Joint commissioner Appeals/ Additional Commissioner Appeals/ Deputy Commissioner Appeals/Assistant Commissioner Appeals/ Commissioner Appeals	1989-00, 2001-18	3316.95	3124.99
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, and other matters	Assistant Commissioner/ Deputy Commissioner/ Additional Commissioner/ Joint Commissioner/ Commissioner/ Assessing Officer	2006-09, 2010-17, 2015-16	113.28	98.37
	Dispute regarding questions of law, classification dispute, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods and other matters	CAG	2015-16	1.10	1.10
	Dispute regarding questions of law, classification dispute, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods and other matters	Special Objection Hearing Authority	2012-13	0.05	0.05
Income Tax Act, 1961	Demands arising out of Regular Assessment/ Reassessment	Income Tax Appellate Tribunal (ITAT)	2009-10, 2011-12, 2012-13, 2019-20	719.64	152.81
	Demands arising out of Regular Assessment/ Reassessment	CIT(A)	2011-12, 2014-15 to 2021-22	3119.35	2409.78
	Demand arising out of order under section 201(1)/201(1A) of the Income Tax Act				

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) In respect of borrowings:

- In our opinion, during the year, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates or joint ventures.
- The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

- (x) In respect of issue of securities:
- The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
 - During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under paragraph (x)(b) of the Order is not applicable to the Company.
- (xi) In respect of fraud:
- No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - We have taken into consideration, the whistle blower complaints received by the company during the year and upto the date of this report and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties undertaken during the year and the details of such related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) In respect of internal audit:
- In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of section 192 of the Act are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group has more than one Core Investment Company (CIC) as part of the group. There are two CIC forming part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

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

Rupen K. Bhatt

Partner

(Membership No. 046930)

UDIN: 24046930BKZVP9659

Place: Mumbai

Date: May 08, 2024

Standalone Balance Sheet as at March 31, 2024

₹ crore			
Particulars	Note	As at 31-3-2024	As at 31-3-2023
ASSETS:			
Non-current assets			
Property, plant and equipment	2	9203.17	8570.70
Capital work-in-progress	2	1397.04	1938.38
Investment property	3	1161.26	568.57
Goodwill		47.29	47.29
Other Intangible assets	4	152.33	146.81
Intangible assets under development	4	26.63	16.39
Right-of-use assets	54(b)	475.61	422.59
Financial assets:			
Investments	5	30728.77	27036.97
Loans	6	579.06	3306.81
Other financial assets	7	596.84	407.22
		31904.67	30751.00
Deferred tax assets (net)	44(d)	1587.12	1539.14
Current tax receivable (net)		3241.03	2290.16
Other non-current assets	8	1417.29	1592.87
Sub-total - Non-current assets		50613.44	47883.90
Current assets			
Inventories	9	3520.97	3428.56
Financials assets			
Investments	10	16813.34	20224.29
Trade receivables	11	36961.55	33152.58
Cash and cash equivalents	12	3939.21	3802.49
Other bank balances	13	829.98	767.15
Loans	14	63.04	168.29
Other financial assets	15	4267.01	3527.90
		62874.13	61642.70
Other current assets	16	57096.24	57128.31
Sub-total - Current assets		123491.34	122199.57
Group(s) of assets classified as held for sale	39	1177.91	2341.02
TOTAL ASSETS		175282.69	172424.49

Standalone Balance Sheet as at March 31, 2024 (contd.)

₹ crore

Particulars	Note	As at 31-3-2024	As at 31-3-2023
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	17	274.93	281.10
Other equity	18	64141.11	71246.85
Total equity		64416.04	71527.95
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	19	11931.14	9390.85
Lease liability		112.25	50.12
Other financial liabilities	20	75.81	108.41
		12119.20	9549.38
Provisions	21	697.73	636.97
Other non-current liabilities	22	22.67	7.05
Sub-total - Non-current liabilities		12839.60	10193.40
Current liabilities			
Financial liabilities:			
Borrowings	23	4864.65	3179.36
Current maturities of long-term borrowings	24	5744.68	5580.88
Lease liability		158.89	137.32
Trade payables:	25		
Due to micro enterprises and small enterprises		871.22	751.71
Due to others		39975.11	41028.66
Other financial liabilities	26	4071.50	4117.92
		55686.05	54795.85
Other current liabilities	27	39383.81	32277.37
Provisions	28	1651.57	1832.37
Current tax liabilities (net)		1305.62	799.07
Sub-total - Current liabilities		98027.05	89704.66
Liabilities associated with the group(s) of assets classified as held for sale		—	998.48
TOTAL LIABILITIES		110866.65	100896.54
TOTAL EQUITY AND LIABILITIES		175282.69	172424.49
CONTINGENT LIABILITIES	29		
COMMITMENTS (capital and others)	30		
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1 to 64		

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No.117366W/W-100018
by the hand of

RUPEN K. BHATT
Partner
Membership No. 046930

R. SHANKAR RAMAN
Whole - time Director & Chief Financial Officer
(DIN 00019798)

SIVARAM NAIR A
Company Secretary & Compliance Officer
Membership No. FCS3939

S. N. SUBRAHMANYAN
Chairman & Managing Director
(DIN 02255382)

P. R. RAMESH
Independent Director
(DIN 01915274)

Mumbai, May 8, 2024

Standalone Statement of Profit and Loss for the year ended March 31, 2024

		₹ crore	
Particulars	Note	2023-24	2022-23
INCOME:			
Revenue from operations	31	126235.85	110500.98
Other income (net)	32	5340.60	4034.95
Total Income		131576.45	114535.93
EXPENSES:			
Manufacturing ,construction and operating expenses	33		
Cost of raw materials components consumed		11621.48	13163.05
Construction materials consumed		43031.68	38098.69
Purchase of stock-in-trade		1078.54	1076.29
Stores, spares and tools consumed		3613.78	4260.17
Sub-contracting charges		30750.87	24353.62
Changes in inventories of finished goods, stock-in-trade and work-in-progress		411.83	(2930.73)
Other manufacturing, construction and operating expenses		13724.86	12373.24
		104233.04	90394.33
Employee benefits expense	34	8864.41	8298.22
Sales, administration and other expenses	35	3453.84	2513.81
Finance costs	36	2405.83	2125.23
Depreciation, amortisation, impairment and obsolescence	37	1751.01	1371.64
Total Expenses		120708.13	104703.23
Profit before exceptional items and tax		10868.32	9832.70
Exceptional items before tax (net) [gain/(loss)]	59	586.47	—
Tax expense on exceptional items:			
Current tax	44(a)	20.83	—
Deferred tax	44(a)	117.65	—
Total tax expense on exceptional items		138.48	—
Exceptional items (net of tax)		447.99	—
Profit before tax		11316.31	9832.70
Tax expenses:			
Current tax	44(a)	2205.00	2334.76
Deferred tax	44(a)	(193.02)	(351.03)
Total tax expenses		2011.98	1983.73
Net profit after tax		9304.33	7848.97
Other comprehensive income			
A Items that will not be reclassified to Profit or Loss:			
Gain /(loss) on remeasurement of the defined benefits plan		13.94	(33.90)
Income tax (expenses)/income on remeasurments of the defined benefits plan		(3.51)	8.53
		10.43	(25.37)
Carried forward - Other comprehensive income		10.43	(25.37)

Standalone Statement of Profit and Loss for the year ended March 31, 2024 (contd.)

		₹ crore	
Particulars	Note	2023-24	2022-23
Brought forward - Other comprehensive income		10.43	(25.37)
B Items that will be reclassified to Profit and Loss:			
Debt instruments through Other comprehensive income		171.92	(381.13)
Income tax (expenses)/income on debt instruments through Other comprehensive income		(39.34)	87.20
		132.58	(293.93)
Exchange differences in translating the financial statements of foreign operations		(6.93)	(14.12)
Income tax (expenses)/income on exchange differences in translating the financial statements of foreign operations		1.74	3.55
		(5.19)	(10.57)
Effective portion of gains/(losses) on hedging instruments in a cash flow hedge		(234.42)	(132.89)
Income tax (expenses)/income on effective portion of gains/(losses) on hedging instruments in a cash flow hedge		50.26	10.30
		(184.16)	(122.59)
Cost of hedging reserve		0.12	(0.06)
Income tax (expenses)/income on cost of hedging reserve		(0.03)	0.02
		0.09	(0.04)
Other comprehensive income for the year (net of tax)		(46.25)	(452.50)
Total comprehensive income for the year		9258.08	7396.47
Earnings per share (EPS) of ₹ 2 each:			
Basic earnings per equity share (₹)	49	66.95	55.85
Diluted earnings per equity share (₹)	49	66.89	55.81
Face value per equity share (₹)		2.00	2.00
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1 to 64		

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No.117366W/W-100018
by the hand of

RUPEN K. BHATT
Partner
Membership No. 046930

S. N. SUBRAHMANYAN
Chairman & Managing Director
(DIN 02255382)

R. SHANKAR RAMAN
Whole - time Director & Chief Financial Officer
(DIN 00019798)

P. R. RAMESH
Independent Director
(DIN 01915274)

SIVARAM NAIR A
Company Secretary & Compliance Officer
Membership No. FCS3939

Mumbai, May 8, 2024

Standalone Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital

Particulars	2023-24		2022-23	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,40,54,82,190	281.10	1,40,50,29,123	281.01
Add: Shares issued on exercise of employee stock options during the year	4,36,429	0.08	4,53,067	0.09
Less: Shares extinguished on buy-back	3,12,50,000	6.25	—	—
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,37,46,68,619	274.93	1,40,54,82,190	281.10

B. Other equity

Particulars	Reserves and surplus								Items of Other comprehensive income			Total other equity
	Capital reserve	Capital reserve on business combination	Capital redemption reserve	Securities premium	Employee share options (net)	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	
Balance as at 1-4-2022	10.84	(25.77)	260.00	8718.74	89.38	138.65	26079.43	31131.14	(10.90)	278.51	163.02	66833.04
Profit for the year (a)	—	—	—	—	—	—	—	7848.97	—	—	—	7848.97
Other comprehensive income (b)	—	—	—	—	—	—	—	(25.37)	(10.57)	(122.63)	(293.93)	(452.50)
Total comprehensive income for the year (a+b)	—	—	—	—	—	—	—	7823.60	(10.57)	(122.63)	(293.93)	7396.47
Issue of equity shares on exercise of employee share options	—	—	—	10.22	—	—	—	—	—	—	—	10.22
Transfer on account of exercise of employee share options	—	—	—	41.23	(41.23)	—	—	—	—	—	—	—
Transfer to non- financial assets/liability	—	—	—	—	—	—	—	—	—	68.13	—	68.13
Transfer from/to general reserve/retained earnings during the year	—	—	—	—	(3.94)	(118.23)	122.17	—	—	—	—	—
Employee share options (net)	—	—	—	—	30.41	—	—	—	—	—	—	30.41
Dividend paid for previous year	—	—	—	—	—	—	—	(3091.42)	—	—	—	(3091.42)
Balance as at 31-3-2023	10.84	(25.77)	260.00	8770.19	74.62	20.42	26201.60	35863.32	(21.47)	224.01	(130.91)	71246.85