

Annexure 'A' to the Board Report

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

[A] CONSERVATION OF ENERGY

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

(a) Upgradation of Electrical Equipment:

Upgrading and modernizing electrical equipment and appliances to enhance energy efficiency, which includes converting and retrofitting ceiling fans; updating Flux baking and holding ovens as well as Computer Numerical Control (CNC) machines.

Replacing conventional Air Conditioner (AC) units with inverter-type energy-efficient ACs and substituting old motors with energy-efficient models.

(b) Use of LED lights and energy efficient fans:

Usage of LED Lights as a replacement of conventional lighting systems complemented by adoption of energy efficient fans with Variable Frequency Drives (VFD) has reduced the energy consumption significantly.

(c) Motion sensors:

Strategic Integration of advanced motion sensors at project sites to ensure adequate consumption of electricity, leading to substantial energy savings.

Installation of timers at over 2000 streetlights to curtail their operational hours resulting in reduced energy consumption.

(d) Natural lighting integration:

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

(e) Process redesign:

Optimized energy efficiency by adopting inverter-based power sources and installing magnetic resonators in all furnaces.

Enhancement of system integrity by identifying and addressing air leakages in flow lines using the ultrasonic detection method.

(f) Variable frequency drives (VFD):

Implementation of VFD in rolling machines and upgradation of Electric Overhead Traveling (EOT)

Cranes with Variable Voltage Variable Frequency (VVVF) Drive technology at few Manufacturing Facilities has resulted in considerable reduction in energy usage.

(g) Awareness campaigns:

Our organization actively promotes environmental stewardship through campaigns and training focused on energy saving and water conservation, complemented by the celebration of Earth Day and Environment Day to heighten awareness and commitment to energy conservation among our stakeholders.

(h) Digital initiatives:

Investment in digital solutions to enhance energy management across major projects, utilizing digitally enabled fuel browsers and smart meters for precise tracking and optimization of fuel and electrical consumption.

Deployment of IoT technologies for monitoring High Speed Diesel (HSD) consumption and digital fuel sensors on plant and machinery equipment ensured effective utilization and conservation of resources.

(i) Improvements in equipment efficiency and energy savings:

Upgrading industrial processes by enhancing furnace insulation, transitioning to induction and electric plate heating instead of gas preheating, and installing energy-efficient column-mounted boards.

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

(j) Fuel consumption reduction and conversion to electrically operated equipment:

Significant fuel savings with productivity improvement in DG sets and concrete chain.

Converting air compressors and concrete pumps to electrically operated equipment compared to traditionally fossil fuel based equipment.

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

(a) Renewable Energy Adoption:

Installation of solar panels at multiple Project sites and use of solar electric vehicles lead to a

reduction in reliance on grid and Diesel Generator (DG) set electricity and reduction in greenhouse gas emissions.

Replacement of traditional DG light masts with Hybrid Solar light masts at project sites helped to reduce carbon emissions.

Heavy Engineering business of the Company entered into a hybrid power purchase agreement for renewable energy and installed solar rooftop plants.

The strategic use of solar lighting around compound walls of Kanchipuram manufacturing facility of Rubber Processing Machinery (RPM) business of the Company lead to significant energy savings.

(b) Wind energy:

During the FY 2023-24, Wind energy has been utilized at various project sites of the Company, contributing to reduced reliance on traditional energy sources.

(c) Use of alternate fuels:

Usage of Compressed Biogas (CBG) in place of Liquefied Petroleum Gas (LPG) for Galvanizing Furnace in Tower parts manufacturing plant resulted in reduced emissions.

Usage of Piped Natural Gas (PNG) and cleaner energy source at few projects to power the Hot Mix Plants.

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

Usage of renewable biological resources based Biofuel for few project as an alternative to conventional fossil fuels.

Usage of CNG based vehicles and water tankers at various project sites of Transportation Infrastructure business of the Company.

(d) Green energy:

Usage of natural skylight polycarbonate sheets on the roofs for augmenting lighting in manufacturing plants leading to reduced electricity consumption during daytime.

Adoption of Green Energy Tariff is helping us reduce Scope-2 emissions at project sites of the Company.

Integration of a green hydrogen plant for furnace operations in shop areas and secured Green Power Purchase Agreements to ensure eco-friendly power consumption.

Power Purchase Agreement for establishing 2.5 Megawatt Peak (MWp) Solar Plant to replace 45% of energy usage with renewable energy at Kansbahal Works. The initiative is poised to reduce 3200 MT Co2 emissions per year by lower thermal power consumption.

Additionally, Talegaon unit of Precision Engineering Systems (PES) business has signed an agreement to establish a 500 KWp onsite Solar plant.

(iii) Capital investment on energy conservation equipment:

- During FY 2023-24, Heavy Engineering business of the Company has made a Capex investment of ₹ 4 Crore on energy conservation and renewable energy.
- Capital investment of ₹ 0.23 Crore on Solar Installations, Pallet Burners, Solar Electric Vehicles and Hybrid Solar light masts by the Transportation Infrastructure business of the Company.
- Energy - Power business of the Company has installed 450TR (Ton of Refrigeration) energy efficient water cooler chiller at a cost of ₹ 1.35 Crore.
- Installation of VFD based cranes, Inverter based ACs and energy efficient water coolers at a cost of ₹ 0.70 crore at Hazira based Manufacturing facility of Energy- Hydrocarbon business of the Company.

[B] TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

- Development of technology for design and supply of Cryogenic Vaporiser for petrochemical industry.
- Development of Chemical process technology in the area of Aqueous Phase Reforming, residue up-gradation (Petroleum Refining) and Coal/ Petcoke Gasification.
- Design development for Multi-tubular Reactor Systems and slug catcher.
- Usage of advanced manufacturing simulation technology for optimisation of heat input and distortion reduction through selection of appropriate number of welding guns for site repair.

- Utilization of 3D concrete printing technology for the construction of the post office building in Bengaluru and other buildings in Tamil Nadu.
 - Development of VFD (Variable Frequency Drive) concrete pump, aiming to reduce diesel consumption and carbon emissions while improving energy efficiency in concrete pumping operations.
 - Usage of magnetic wire rope tester to detect potential faults in tower crane wire ropes, ensuring safety and reliability.
 - Introduction of in-house developed Electric Vehicle (EV) trolley for transporting finishing materials like gypsum and sandbags.
 - Development of Pie Arm Erector with lifting capacity of upto 55 Metric Ton (MT) for Elevated Metros in order to find an alternative to the portal frame arrangement.
 - Implementation of the Tunnel Segment Monitoring System (TSMS) enabling end-to-end tracking and digital documentation of precast segments, enhancing quality control, and streamlining the supply chain process for efficient production and delivery to the construction site.
 - Implementation of AI-based vision analytics across few projects focusing on ensuring data privacy and security, addressing ethical considerations, and enhancing algorithm robustness to optimize safety monitoring and surveillance.
 - Development of bladder type T-ring for 2-wheeler tyre building machines for continental tyres.
 - Development of an algorithm to calculate the winding coordinates automatically to wind the steel around various drum profiles in 2-wheeler tyre building Machine.
 - Attached Batch Growth Bio-Reactor (AGBR) technology developed by Water & Effluent Treatment (WET) business of the Company in collaboration with CES - Anna University, Chennai, combines attached and suspended growth processes with zonal separation for enhanced organics and nutrients removal. It utilizes specially customized polymeric material with high surface area, reducing footprint and achieving lower sludge production and power consumption.
 - Development of "Hybrid Tandem Tippler" and "Long Arm Side Arm Charger" for one of the projects for Metallurgical & Material Handling business, capable of unloading both bottom discharge wagons and top open wagons. This machine features unique tailor-made capabilities, allowing it to unload 50 wagons within one hour.
 - Development of straddle carrier, launching Girder controlling algorithms and data dashboards for the purpose of better monitoring and improving machine performance.
 - Improvement in Drum Cooler design for better life and reliability.
 - Capability development in new energy transition technologies viz. Blue/Green Ammonia, Sustainable Aviation Fuels, Ammonia Cracking, Biomass Gasification, Atmospheric Carbon Capture.
- (ii) Benefits derived like product improvement, cost reduction, product development or import substitution:**
- Increased self-reliance and savings in Foreign Exchange in process plant and refinery equipment sector.
 - Reduction in production cycle time, cost, and rework due to implementation of advanced manufacturing simulation technology.
 - Enhanced and refined on-site fabrication capabilities through continuous improvement initiatives.
 - Implementation of erectors has improved pier arm segment erection, reducing the cycle time from 50 days to 23 days and enhancing safety.
 - Implementation of the Tunnel Segment Monitoring System (TSMS) has led to considerable time savings and reduced reliance on third-party applications, resulting in improved operational efficiency and cost savings.
 - Engineering optimization by implementing concept of combined building for Wet Ball mill and Gypsum Dewatering system enabling reduction in overall footprint and concrete quantity.
 - Redefining operation of Flue-gas desulfurization (FGD) systems to suit Indian conditions and thereby facilitate achieving performance of FGD.

- Usage of AGRB Technology offers advantages wherein technical and environmental sustainability is intertwined viz. power savings and footprint reduction, lesser sludge production and assured removal of Nitrogen and Phosphorus in sewage nutrient removal process.

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

Sr. No.	Technology Imported	Year of Import	Status of absorption & reasons for non-absorption, if any
1	Full Span Construction Methodology	2021-22	Fully absorbed
2	Straddle carrier	2021-22	Fully absorbed

(iv) Expenditure incurred on Research & Development:

	₹ crore
	2023-24
Capital	5.86
Recurring	163.15
Total	169.01
Total R&D expenditure as a percentage of total turnover	0.13%

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

	₹ crore
	2023-24
Foreign Exchange earned	16131.44
Foreign Exchange saved / deemed exports	2491.72
Total	18623.16
Foreign Exchange used	18448.48

Annexure 'B' to the Board Report

A. CORPORATE GOVERNANCE

Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders.

The Company believes that sound Corporate Governance is critical for enhancing and retaining stakeholder trust and always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. The Company had adopted many ethical and transparent governance practices even before they were mandated by law. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance.

B. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

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

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

C. THE GOVERNANCE STRUCTURE

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

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

The four-tier governance structure, besides ensuring greater management accountability and credibility, facilitates increased autonomy to the businesses, performance discipline and development of business leaders, leading to increased public confidence.

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

a. Board of Directors (the Board):

The Directors of the Company are in a fiduciary position, empowered to oversee the management functions with a view to ensuring its effectiveness and enhancement of shareholder value. The Board also provides strategic direction, reviews and approves management's business objectives, plans and oversees risk management.

b. Executive Committee (ECom):

The ECom provides a companywide operations review and plays a key role in strengthening linkages between the ICs and the Company's Board, as well as in rapidly realizing inter-IC synergies. In addition, the ECom deliberates upon strategic and tactical issues that cut across ICs and Corporate. The agenda includes:

- Review of major order prospects (Standalone/ Group) / "Integrated offerings"

- Review of consolidated financials including working capital, cash flow, capital structure, etc.
- Review of Monthly / Quarterly / Yearly financial performance
- Review of Revenue, Capital & Manpower Budget and performance thereagainst
- Review and discuss strategic issues which impact the entire organization, viz.,
 - (i) International business expansion
 - (ii) IC synergies
 - (iii) HR Update/ Talent Management / Service contract extensions for senior management personnel / Leadership development and succession planning
 - (iv) Digitalization & Analytics initiatives
 - (v) ESG Matters
- Approval of Company policies
- Strategic plans and business portfolio reviews
- Sharing of best practices, etc.

c. The Chairman & Managing Director (CMD):

The CMD is fully accountable to the Board for the Company's business development, operational excellence, business results, leadership development and other related responsibilities.

d. Executive Directors / Senior Management Personnel:

The Executive Directors, as members of the Board, along with the Senior Management Personnel in the Executive Committee, contribute to the strategic management of the Company's businesses within Board approved direction and framework. They assume overall responsibility for strategic management of business and corporate functions including its governance processes and top management effectiveness.

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

Senior Management Personnel means all members of management one level below the Executive Directors including the 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 are covered as Senior Management Personnel. During the year, Mr. Sthaladipti Saha was elevated as Senior Vice President & IC Head (designate), Buildings & Factories IC with effect from April 7, 2023, Mr. Shrinath Rao was elevated as Senior Vice President & IC Head Transportation Infrastructure IC with effect from July 17, 2023 and Mr. E. P. Sajit was elevated as Senior Vice President & Head, Water & Effluent Treatment IC with effect from October 2, 2023.

e. Non-Executive Directors / Independent Directors:

The Non-Executive Directors / Independent Directors play a critical role in enhancing balance to the Board processes with their independent judgment on issues of strategy, performance, resources, standards of conduct, safety, etc., besides providing the Board with valuable inputs.

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

f. Independent Company Board (IC Board):

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

Each IC is governed by an IC Board comprising 2 to 3 Independent Members akin to Independent Directors and senior executive members. The IC Board, *inter alia*, oversees:

- Implementation of Lakshya i.e. the Company's strategic plan
- Leadership pipeline/ succession planning
- Revenue, capital & manpower Budget
- ESG matters and Risk assessments as necessary
- Assist in solving problems pertaining to specific issues.

E. BOARD OF DIRECTORS

a. Composition of the Board:

The Company's policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors. As on March 31, 2024, the Board comprised the CMD, 6 Executive Directors, 1 Non-Executive Director (representing a financial institution) and 9 Independent Directors, including one Independent Woman Director. This excludes 3 Independent Directors who completed their tenure on March 31, 2024. The composition of the Board, as on March 31, 2024, is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').

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

b. Meetings of the Board:

The Meetings of the Board are generally held at the Registered Office of the Company at L&T House, Ballard Estate, Mumbai 400 001 and whenever necessary, in locations, where the Company operates. During the year under review, 6 meetings were held on May 10, 2023, July 25, 2023, September 30, 2023, October 31, 2023, January 30, 2024 and March 26, 2024.

The Independent Directors met on May 9, 2023, July 24, 2023 and September 30, 2023 to discuss, *inter alia*, the performance evaluation of the Board as a whole, succession planning and assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors further met on May 8, 2024 and discussed *inter alia* the Board Evaluation Report for FY 2023-24. The topics, *inter alia*, discussed were with regard to need for making presentation on Human Resource Strategy and detailed discussions on new businesses of the Company.

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

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

The following is the composition of the Board of Directors as on March 31, 2024. Their attendance at Board Meetings during the year and at the previous Annual General Meeting is as under:

Name of Director	Category	Meetings held during the year	No. of Board Meetings attended	Attendance at previous AGM
Mr. S. N. Subrahmanyam	CMD	6	6	Yes
Mr. R. Shankar Raman	ED & CFO	6	6	Yes
Mr. M. V. Satish ^{&}	ED	6	6	Yes
Mr. Subramanian Sarma	ED	6	6	Yes
Mr. S. V. Desai	ED	6	6	Yes
Mr. T. Madhava Das	ED	6	6	Yes
Mr. Anil V Parab	ED	6	6	Yes
Mr. M. M. Chitale [§]	ID	6	6	Yes
Mr. M. Damodaran [§]	ID	6	6	Yes
Mr. Vikram Singh Mehta [§]	ID	6	6	Yes
Mr. Adil Zainulbhai	ID	6	5	Yes
Mr. Sanjeev Aga	ID	6	6	Yes
Mr. Narayanan Kumar	ID	6	5	Yes
Mr. Hemant Bhargava (Note 1)	NED	6	6	No
Mrs. Preetha Reddy	ID	6	5	Yes
Mr. Pramit Jhaveri	ID	6	6	Yes
Mr. Rajnish Kumar [^]	ID	5	5	Yes
Mr. Jyoti Sagar [^]	ID	5	5	Yes
Mr. Ajay Tyagi [*]	ID	3	3	–
Mr. P. R. Ramesh [*]	ID	3	3	–

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

[&] Ceased as Executive Director of the Company w.e.f. April 7, 2024.

[§] Ceased as Independent Director of the Company w.e.f. March 31, 2024.

[^]Appointed as an Independent Director of the Company w.e.f. May 10, 2023.

^{*}Appointed as an Independent Director of the Company w.e.f. October 31, 2023.

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

CMD - Chairman & Managing Director

ED - Executive Director

NED - Non-Executive Director

ID - Independent Director

ED & CFO - Executive Director and Chief Financial Officer

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

As on March 31, 2024, the number of other directorships and the number of positions held as Member/Chairperson of Committees of the Board of Directors along with the names of the listed entities (whose equity shares are listed) wherein the Director holds directorships are as follows:

Name of Director	No. of other company Directorships	No. of Committee Membership	No. of Committee Chairpersonships	Names of other Equity Listed entities where he/she holds Directorship	Category of Directorship
Mr. S. N. Subrahmanyam	6	0	0	LTIMindtree Limited	Non- Executive Vice- Chairman
				L&T Technology Services Limited	Non- Executive Vice- Chairman
				L&T Finance Limited (Formerly L&T Finance Holdings Limited)	Non-Executive Chairman
Mr. R. Shankar Raman	6	4	0	LTIMindtree Limited	Non-Executive Director
				L&T Finance Limited (Formerly L&T Finance Holdings Limited)	Non-Executive Director

Name of Director	No. of other company Directorships	No. of Committee Membership	No. of Committee Chairpersonships	Names of other Equity Listed entities where he/ she holds Directorship	Category of Directorship
Mr. M. V. Satish	1	0	0	None	
Mr. Subramanian Sarma	3	0	0	None	
Mr. S. V. Desai	2	0	0	None	
Mr. T. Madhava Das	0	1	0	None	
Mr. Anil V Parab	2	1	0	None	
Mr. Adil Zainulbhai	7	2	5	Network18 Media & Investment Limited	Chairman and Independent Director
				Cipla Limited	Independent Director
				TV18 Broadcast Limited	Chairman and Independent Director
Mr. Sanjeev Aga	3	2	2	LTIMindtree Limited	Independent Director
				Pidilite Industries Limited	Independent Director
				Mahindra Holidays & Resorts India Limited	Independent Director
Mr. Narayanan Kumar	3	1	2	L&T Technology Services Limited	Independent Director
				Entertainment Network (India) Limited	Independent Director
Mr. Hemant Bhargava	3	3	1	UGRO Capital Limited	Independent Director
				ITC Limited	Independent Director
				SMC Global Securities Limited	Independent Director
Mrs. Preetha Reddy	8	2	0	Apollo Hospitals Enterprise Limited	Whole-time Director
Mr. Pramit Jhaveri	2	2	0	Bajaj Finance Limited	Independent Director
				Bajaj Finserv Limited	Independent Director
Mr. Rajnish Kumar	3	0	1	Ambuja Cements Limited	Independent Director
				Hero Motocorp Limited	Independent Director
Mr. Jyoti Sagar	0	0	0	-	-
Mr. Ajay Tyagi	1	0	1	-	-
Mr. P. R. Ramesh	8	3	4	Nestle India Limited	Independent Director
				Crompton Greaves Consumer Electricals Limited	Independent Director
				Tejas Networks Limited	Independent Director
				Cipla Limited	Independent Director

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

c. Information to the Board:

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

- Annual revenue budgets and capital expenditure plans
- Quarterly results and results of operations of ICs and business segments
- Financing plans of the Company
- Minutes of meetings of Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Board Risk Management Committee and CSR & Sustainability Committee
- Details of any joint venture, acquisitions of companies or collaboration agreement or sale of investments, subsidiaries, assets and quarterly report on fatal or serious accidents or dangerous occurrences

- Any materially relevant default, if any, in financial obligations to and by the Company or substantial non-payment for goods sold or services rendered, if any
- Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company
- Developments in respect of human resources/industrial relations
- Compliance or Non-compliance of any regulatory, statutory nature or listing requirements and investor service such as non-payment of dividend, delay in share transfer, etc., if any

d. Post-meeting internal communication system:

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

e. Board Skill Matrix:

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

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

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

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

Sr. No	Name of the Director	Skill Attribute					
		Leadership	Industry knowledge and experience	Experience and Exposure in policy shaping and industry advocacy	Governance including legal compliance	Expertise/ Experience in Finance and Accounts/ Audit /Risk Management areas	Global Experience / International Exposure
8.	Mr. Adil Zainulbhai	√	X	√	√	X	√
9.	Mr. Sanjeev Aga	√	X	√	√	√	X
10.	Mr. Narayanan Kumar	√	√	√	X	√	X
11.	Mr. Hemant Bhargava	√	X	√	√	√	X
12.	Mrs. Preetha Reddy	√	X	√	√	X	√
13.	Mr. Pramit Jhaveri	√	X	X	√	√	√
14.	Mr. Rajnish Kumar*	√	X	√	√	√	√
15.	Mr. Jyoti Sagar*	√	X	√	X	√	√
16.	Mr. Ajay Tyagi^	√	X	√	√	√	√
17.	Mr. P. R. Ramesh^	√	X	√	√	√	√

Ceased to be a Director with effect from April 7, 2024.

* Appointed as an Independent Director with effect from May 10, 2023.

^ Appointed as an Independent Director with effect from October 31, 2023.

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

F. BOARD COMMITTEES

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

1) Audit Committee

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

i) Terms of reference:

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure

that the financial statement is correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and fixation of remuneration of statutory auditors.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing, with the management, the annual financial statements and the audit report before submission to the Board for approval, with particular reference to:
 1. Matters required to be included in the Directors' Responsibility Statement to be included in the Board report in terms of sub-section (5) of section 134 of the Companies Act, 2013

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

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

ii) Composition:

As on March 31, 2024, the Audit Committee comprised of four Independent Directors.

iii) Meetings:

During the year ended March 31, 2024, 8 meetings of the Audit Committee were held on April 18, 2023, May 9, 2023, July 24, 2023, August 23, 2023, October 30, 2023, November 29, 2023, January 29, 2024 and March 11, 2024.

The attendance of Members at the Meetings was as follows:

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. M. M. Chitale [§]	Chairman	8	8
Mr. M. Damodaran [§]	Member	8	8
Mr. Sanjeev Aga	Member	8	8
Mr. Vikram Singh Mehta [§]	Member	8	8

[§] Ceased to Member of the Committee with effect from March 31, 2024.

Effective from April 1, 2024, Mr. P. R. Ramesh, Independent Director, has been appointed as Chairman of the Audit Committee and Mr. Rajnish Kumar, Independent Director has been appointed as member of the Committee.

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

The Whole-time Director & Chief Financial Officer and Head - Corporate Audit Services are permanent invitees to the Meetings of the Audit Committee. The Company Secretary is the Secretary to the Committee.

iv) Internal Audit:

The Company has an internal corporate audit team consisting of Chartered Accountants, Certified Internal Auditors and Engineers from various disciplines. Over a period, the Corporate Audit Services department ("CAS") has acquired in-depth knowledge about the Company, its businesses, its systems & procedures, the knowledge of which is now institutionalized. The Company's Internal Audit function is ISO 9001:2015 certified. The Head of CAS reports to the Audit Committee. The staff of CAS are rotated periodically to have a holistic view of the entire operations and share the findings and good practices.

The CAS team while drawing out their Audit Plan for the year, also plans for some theme-based audits (Revenue recognition, HR, Treasury, Insurance etc.) which is incorporated in the overall audit programme and also performs certain joint audits with other corporate departments for specific functions. The Company being predominantly a project-oriented Company, CAS emphasizes a risk-based focus areas in project audits. It encourages its team members to obtain globally renowned Certified Information Systems Auditor (CISA), Certified Internal Auditor (CIA) and Certified Fraud Examiner (CFE) Certification, etc., which will add strength to the Department. Every year, CAS reviews the Audit Universe which is an exhaustive list of businesses, functions, activities and locations across the Company. The yearly plan details out the scope and coverage of audits proposed for the year and it is ensured that, on an average, all operations in the Audit Universe gets into an audit coverage, at least once in 2 years. The CAS team has its offices at Mumbai and Chennai and all overseas audits are shared between these two teams.

From time to time, the Company's systems of internal controls covering financial, operational, compliance, IT applications, etc. are also reviewed by external experts. Presentations are made to the Audit Committee, on the findings of such reviews.

The CAS team of the Company also covers the internal audit of all ICs and Subsidiary Companies. An in-depth audit is conducted by the team. The major deviations are

highlighted and discussed with the concerned IC and / or subsidiary company Board and significant observations are also placed before the Audit Committee of the Company once in every quarter. Internal Audits of few subsidiaries and few other service functions have been out sourced to external firms.

2) Nomination & Remuneration Committee (NRC)

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

i) Terms of reference:

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

ii) Composition:

As at March 31, 2024, the Committee comprised 3 Independent Directors and the Chairman & Managing Director.

iii) Meetings:

During the year ended March 31, 2024, 4 meetings of the Nomination & Remuneration Committee were held on May 10, 2023, July 25, 2023, October 31, 2023 and January 30, 2024.

The attendance of Members at the Meetings was as follows:

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. Adil Zainulbhai	Chairman	4	3
Mr. A. M. Naik [^]	Member	2	2
Mr. Narayanan Kumar	Member	4	4
Mr. Pramit Jhaveri	Member	4	4
Mr. S. N. Subrahmanyam [*]	Member	2	2

[^] Ceased to be a member of the Committee with effect from September 30, 2023

^{*}Appointed as a member of the Committee with effect from October 1, 2023.

iv) Board Membership Criteria:

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

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

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

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

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

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

These certificates have been placed on the website of the Company <http://investors.larsentoubro.com/corporategovernance.aspx>

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

v) Remuneration Policy:

The remuneration of the Board members is based on the Company's size and global presence, its economic and financial position, industrial trends, compensation paid by the peer companies, etc. Compensation reflects each Board member's performance and accountability. The level of compensation to Executive Directors is competitive and matches industry standards.

The Company pays remuneration to Executive Directors by way of salary, perquisites and retirement benefits (fixed components) and commission (variable component), stock options based on recommendation of the NRC, approval of the Board and the shareholders. The commission payable is based on the overall performance of the Company, performance of the business / function as well as qualitative factors. The commission is calculated with reference to net profits of the Company in the financial year subject to overall ceilings stipulated under section 197 of the Companies Act, 2013.

The Independent Directors / Non-Executive Directors are paid remuneration by way of commission and sitting fees. The Company paid sitting fees of ₹ 1,00,000/- per meeting of the Board and ₹ 50,000/- for Audit Committee (AC), Nomination and

Remuneration Committee (NRC) and Board Risk Management Committee (BRMC) meetings and ₹ 35,000/- for Stakeholders Relationship Committee (SRC) and CSR & Sustainability (CSR) Committee meetings, till June 30, 2023, to the Independent Directors/ Non-Executive Directors. Effective July 1, 2023, the sitting fees have been revised to ₹ 75,000 for AC, NRC and BRMC meetings and ₹ 50,000 for SRC and CSR Committee meetings. The Board meeting sitting fee remains the same at ₹ 1,00,000 per meeting. The commission is paid in accordance with the provisions of section 197 of the Companies Act, 2013.

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

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

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

Performance Evaluation Criteria for Independent Directors:

The performance evaluation questionnaire covers qualitative/ subjective criteria with respect to the structure, culture, Board processes and selection, effectiveness of the Board and Committees, strategic decision making, functioning of the Board and Committees, Committee composition, information availability, remuneration framework, succession planning, adequate participation, assessment of their independence, etc. It also contains specific criteria for evaluating the CMD and individual Directors. An external consultant is engaged to receive the responses of the Directors and consolidate/analyze the responses. This is done through a software platform of the external consultant.

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

Key suggestions made by the Directors as part of the Board evaluation exercise of FY 2022-23 included holding Board meeting at / visits to places where the Company has operations, assessment of board composition, optimisation of time involvement between mandatory board requirements and strategic directional involvement and compensation benchmarking of Independent Directors. The Company has taken necessary actions on the suggestions given by the Board members viz. Board visits were arranged to Varanasi & Ayodhya during FY 2023-24, strategic sessions were part of board meetings held in March & May 2024 and the compensation of Independent Directors was benchmarked with the industry during FY 2023-24.

Members are also requested to refer to page 323 of the Board Report.

vi) Training & Succession Planning:

The company places significant emphasis on the continuous growth of its workforce. It is committed to developing internal talent and capable leaders. To achieve this, the Company has established robust processes for creating and sustaining a leadership and talent pipeline through Development Centres, its Leadership Development initiatives, and Talent Review Process.

The Development Centres, pivotal to the Company's core philosophy of grooming internal talent, ensure the right leadership talent is identified through an objective selection process. The Development Centres supports the development of company's high performing talent by seamlessly conducting an objective assessment through a structured process. This process is followed up with the creation of individualised development plans as a map to enable talent to navigate their unique development journey.

The company's Leadership Development initiatives are designed to cater development needs of its talent at three stages. The

company enhances managerial capabilities at all levels through Management Development Programs, nurtures potential of its high performers through Leadership Competency Development Programs, and prepares its talent with proven track record & recognized potential through its signature Seven-Step Leadership Pipeline Programs.

The Company's Seven-Step Leadership Pipeline Programs is an established best practice in talent development which serves to provide leadership inputs to high potential employees. These programs are carefully curated in association with prominent International & Indian institutions such as Harvard Business School, London Business School, INSEAD, Ross School of Business, and IIM Ahmedabad. These programs are regularly reviewed and aligned with the evolving landscape of business. The leaders who move up the Seven-Step Leadership Pipeline Program are mentored by the Chairman Emeritus and Chairman and MD of the Company.

The company has initiated Leadership Competency Development Programs for senior managers with the Great Lakes Institute of Management, Chennai, and launched similar programs for early and middle managers in collaboration with IIM Vishakhapatnam and KREA University, conducted at their Leadership Development Academy in Lonavala.

The Company also conducts its Management Development programs in tie-up with reputed Indian B-Schools like Narsee Monjee, IIM Mumbai, XLRI and IIM-Bangalore to provide inputs to our current and potential leaders and in the process builds a strong pipeline of managers at every level.

The Company, recognizing the importance of increasing visibility of its top talent for continuous development and succession planning, has established a Talent Review Process. This process enables the businesses to identify, deliberate, and plan the development and deployment of its top talent in strategic roles. To ensure the success of this initiative, a Talent Management Council led by Business & HR heads has been established dovetailing the Talent Review discussions with annual appraisal process.

In the fiscal year 2023-24, the Company's commitment to its workforce was recognized by Great Place to Work for the second consecutive year. The company recognizes the shifts taking place in the workforce due to changing macro-economic conditions, talent demographics & aspiration, and emphasis on Diversity, Equity & Inclusion. These changes require a renewed form of leadership that can integrate high-performance with changing talent needs. To address this need, the Company has launched its own People Leadership Excellence Framework. This is a five-dimension framework which will guide several initiatives for assessing and nurturing people leadership capabilities across the Company.

The Company's own HR Excellence Model ensures that the above practices are continuously evaluated and kept in alignment with contemporary people dimensions, thus enhancing people strategy and practices aiding organizational performance.

Moving to the Company's digital initiatives in the learning space, the Company has taken further strides in its digitalization by launching a new Learning Management System (LMS) on SAP Success Factors platform. The LMS hosts an extensive array of training programmes and integrates external resources from platforms like Coursera, Percipio, and Harvard Manage Mentor offering a rich & adaptable learning environment for all employees, thus, making learning democratised and learner centric.

Additionally, the Company has established niche learning academies, such as the Academy of Digital Transformation and Academy of GenAI, to address domain-specific needs. The Company's digital learning solutions provide role-specific and skill-focused learning, using platform-based skill benchmarking. In 2023-24, the Company logged 5.20 lakh training hours from 38,500 L&T employees via digital learning modes.

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

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

vii) Details of remuneration paid / payable to Directors for the year ended March 31, 2024:

(a) Executive Directors:

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

₹ crore						
Names	Salary	Perquisites	Perquisites related to ESOP*	Retirement Benefits	Commission	Total
Mr. S. N. Subrahmanyam [^]	3.60	1.67	-	10.50	35.28	51.05
Mr. R. Shankar Raman	2.25	1.08	-	6.50	21.83	31.66
Mr. D. K. Sen [@]	0.03	0.46	-	22.26	0.18	22.93
Mr. M. V. Satish ^{\$}	1.71	0.74	-	2.78	8.57	13.80
Mr. Subramanian Sarma	2.07	0.84	9.99	5.57	18.56	37.03
S. V. Desai	1.23	0.62	-	3.95	13.41	19.21
T. Madhava Das	1.23	0.59	-	3.86	13.06	18.74
Mr. Anil V Parab	1.05	0.24	-	2.61	8.62	12.52

[^] Appointed as Chairman & Managing Director with effect from October 1, 2023

[@] Ceased to be Whole-time Director with effect from April 7, 2023.

^{\$} Ceased to be Whole-time Director with effect from April 7, 2024.

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

- Notice period for termination of appointment of Chairman & Managing Director and other Whole-time Directors is six months on either side.
- No severance pay is payable on termination of appointment.
- Details of Options granted under Employee Stock Option Schemes are provided on the website of the Company <https://investors.larsentoubro.com/listing-compliance-agm.aspx>.
- Mr. Subramanian Sarma has exercised 25,000 stock options in the Company vested during the year. The perquisite amount on exercise of these options is considered as a part of his remuneration.

(b) Non-Executive Directors:

The details of remuneration paid / payable to the Non-Executive Directors for FY 2023-24 is as follows:

₹ crore				
Names	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Commission	Total
Mr. A. M. Naik [^]	0.03	0.01	1.65	1.69
Mr. M. M. Chitale ^{\$}	0.06	0.07	0.59	0.72

₹ crore

Names	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Commission	Total
Mr. M. Damodaran [§]	0.06	0.06	0.53	0.65
Mr. Vikram Singh Mehta [§]	0.06	0.06	0.45	0.57
Mr. Adil Zainulbhai	0.05	0.03	0.50	0.58
Mr. Sanjeev Aga	0.06	0.07	0.40	0.53
Mr. Narayanan Kumar	0.05	0.04	0.44	0.53
Mr. Hemant Bhargava [#]	0.06	0.01	0.22	0.29
Mrs. Preetha Reddy	0.05	-	0.17	0.22
Mr. Pramit Jhaveri	0.06	0.03	0.28	0.37
Mr. Rajnish Kumar [@]	0.05	-	0.17	0.22
Mr. Jyoti Sagar [@]	0.05	-	0.17	0.22
Mr. Ajay Tyagi [*]	0.03	-	0.10	0.13
Mr. P. R. Ramesh [*]	0.03	-	0.10	0.13

Note – Remuneration of Mr. A. M. Naik excludes ₹ 1.5 crore paid to him during the financial year towards pension.

[#] Payable to the Institution he represents.

[^] Ceased to be a Director of the Company with effect from September 30, 2023

[@] Appointed as an Independent Director of the Company with effect from May 10, 2023.

^{*} Appointed as an Independent Director of the Company with effect from October 31, 2023.

[§] Ceased to be an Independent Director with effect from March 31, 2024.

Details of shares of the Company held by the Directors and Key Managerial Personnel, as on March 31, 2024, are as follows:

Name	No. of Shares	Shareholding Percentage
Mr. S. N. Subrahmanyam	2,65,584	0.02
Mr. R. Shankar Raman	2,96,616	0.02
Mr. M. V. Satish	46,457	0.00
Mr. Subramanian Sarma	1,84,053	0.01
Mr. S. V. Desai	25,810	0.00
Mr. T. Madhava Das	16,265	0.00
Mr. Anil V. Parab	1,11,040	0.01
Mr. M. M. Chitale [@]	3,568	0.00
Mr. M. Damodaran [@]	225	0.00
Mr. Vikram Singh Mehta [@]	1,327	0.00
Mr. Adil Zainulbhai	150	0.00
Mr. Sanjeev Aga	100	0.00
Mr. Narayanan Kumar	1,500	0.00
Mr. Hemant Bhargava [*]	188	0.00
Mrs. Preetha Reddy	180	0.00
Mr. Pramit Jhaveri	20,550	0.00
Mr. Rajnish Kumar	100	0.00
Mr. Jyoti Sagar	100	0.00
Mr. Ajay Tyagi	100	0.00
Mr. P. R. Ramesh	100	0.00
Mr. Sivaram Nair A	10,384	0.00

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

^{*} 100 shares held jointly with the Institution he represents.

3) Stakeholders' Relationship Committee:

i) Terms of reference:

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

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

ii) Composition:

As on March 31, 2024, the Stakeholders' Relationship Committee comprised 1 Non-Executive Director, 1 Independent Director and 1 Executive Director.

iii) Meetings:

During the year ended March 31, 2024, 2 meetings of the Stakeholders' Relationship Committee were held on June 14, 2023 and January 10, 2024.

The attendance of Members at the Meetings was as follows-

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. Narayanan Kumar	Chairman	2	2
Mr. Hemant Bhargava	Member	2	2
Mr. T Madhava Das [#]	Member	2	2

[#] Appointed as a member of the Committee with effect from April 8, 2023

Mr. Sivaram Nair A, Company Secretary is the Compliance Officer.

iv) Number of Requests / Complaints:

During the year, the Company has resolved investor grievances expeditiously except for the cases constrained by disputes or legal impediments.

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

Particulars	Opening Balance	Received	Resolved	Pending*
Complaints:				
SEBI / Stock Exchange	2	156	157	1
Shareholders	3	504	503	4
Shareholder Queries:				
Dividend Related	35	9,490	9,520	5
Transmission/ Others	287	9,497	9,684	100
Demat / Remat	7	7,113	7,117	3

* Investor complaints / queries shown outstanding as on March 31, 2024 have been subsequently resolved to the complete satisfaction of the investors. The Company repeatedly sends reminders to shareholders regarding unclaimed shares and dividends. This results in an increase in the number of queries received.

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

4) CSR & Sustainability Committee:
i) Terms of reference:

The CSR & Sustainability ("CSR") Committee has been entrusted with the task of reviewing the sustainability and Corporate Social Responsibility initiatives of the Company.

A. Corporate Social Responsibility:

- i. Formulate and recommend to the Board a Corporate Social Responsibility Policy and suggest any changes thereto

- ii. Provide guidance for the development of annual CSR Action Plan
- iii. Recommend the CSR annual budget to the Board for approval
- iv. Monitor the implementation of the CSR Action Plan of the Company from time to time; and
- v. Identify and recommend to the Board the CSR projects that will qualify to be ongoing projects

B. Sustainability:

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

ii) Composition:

As on March 31, 2024, the CSR Committee comprised 1 Independent Director and 2 Executive Directors.

iii) Meetings:

During the year ended March 31, 2024, 3 meetings of the CSR Committee were held on April 29, 2023, October 7, 2023 and March 15, 2024.

The Members at the Committee are as follows-

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. M. M. Chitale [#]	Chairman	3	3
Mr. R. Shankar Raman	Member	3	3
Mr. S. V. Desai*	Member	3	3

[#] Ceased as Chairman & member of the Committee with effect from March 31, 2024

* Appointed as member of the Committee with effect from April 8, 2023

Effective April 1, 2024, 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.

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

The Company, through its CSR & Sustainability Committee, is committed to improve the social infrastructure / fabric of the Country. The Company's CSR programmes are well-entrenched, focusing on areas that align with the global and national matrices of development: water & sanitation, health, education and skill-building.

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

The Company has launched programs towards holistic development in the following areas based on need assessment:

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

All CSR projects have defined goals and milestones which are tracked as per the periodicity defined for the project. The progress is compared with the baseline data that is gathered before the commencement of the project. This is carried out through an onsite evaluation as well as the reports generated from the project. The indirect impact that accrued are also factored and

documented in the monthly reporting process. These are subsequently vetted / measured during the external Social Audit or Impact Assessment. The Social Audit/ Impact Assessment report is discussed during the CSR & Sustainability Committee meetings and it forms a part of Annexure C to this Board Report.

The detailed disclosures of CSR spending during the year has been given in Annexure 'C' forming part of this Board Report. Please refer to page 365 of this Integrated Annual Report.

5) **Board Risk Management Committee:**

i) **Terms of reference:**

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

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

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

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

ii) **Composition:**

As on March 31, 2024, the Board Risk Management Committee comprised of 2 Independent Directors and 1 Executive Director.

iii) **Meetings:**

During the year ended March 31, 2024, 2 meetings of the Board Risk Management Committee were held on April 19, 2023 and October 16, 2023.

The attendance of Members at the Meetings was as follows-

Name	Status	No. of meetings held during the year	No. of meetings attended
Mr. Adil Zainulbhai	Chairman	2	2
Mr. Sanjeev Aga	Member	2	2
Mr. Subramanian Sarma	Member	2	2

Members are also requested to refer to page 322 of the Board Report.

G. OTHER INFORMATION

a) Directors' Familiarization Program:

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

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

Presentations are made regularly to the Board, NRC, AC, BRMC, SRC and CSR & Sustainability Committee, where Directors get an opportunity to interact with senior managers. Minutes of AC, NRC, SRC, BRMC and CSR Committees are circulated to the Board. Presentations, *inter alia*, cover business strategies, management structure, HR policy, management development and succession planning, quarterly and annual results, budgets, treasury policy, review of internal audit, risk management framework, operations of subsidiaries and associates, etc.

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

Some of the Independent Directors are members of the IC Board. They share the learnings from these meetings with the remaining Non-Executive Directors / Independent Directors formally and informally. Such interactions also happen when these Directors meet senior management in IC meetings and informal gatherings.

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

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

b) Policy for determination of materiality of events or information

The Company has a policy for determination of materiality of events or information for disclosure to the stock exchanges. The policy has clearly defined guidelines and materiality thresholds for determination of materiality of certain events or transaction or information with respect to the Company, its Subsidiaries and Associate Companies. During FY 2023-24, the Policy was reviewed and revised to align the same with the amendments made to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also implemented a software application to assist employees to report potential material event / information to authorised Key Managerial Personnel. The Policy is available on the Company's website at <https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/>.

c) Vigil Mechanism / Whistle Blower Policy:

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

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

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

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

The WBIC is appraised 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	December 14, 2023	January 18, 2024	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			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:

1. 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.
2. 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.
3. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the Financial Statements.
4. 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>.
5. 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.

6. 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/>.
7. Details of risk management including foreign exchange risk, commodity price risk and hedging activities form a part of the

Management Discussion & Analysis. Please refer to pages 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	<p>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.</p> <p>Advertisements relating to IEPF, E-Voting, AGM related compliances, etc. are published in The Financial Express & Loksatta.</p>
News Releases	<p>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.</p>

Website	<p>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.</p>
Filing with Stock Exchanges	<p>Information to Stock Exchanges is now being also filed online on NEAPS for NSE, BSE Online for BSE and RNS for London Stock Exchange.</p>
Annual Report and Annual General Meeting	<p>Annual Report is circulated to all the members and all others like auditors, equity analysts, etc. To enable a larger participation of shareholders for the Annual General Meeting, the Company has provided Webcast facility at its last three Annual General Meetings in co-ordination with NSDL. 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.</p>
SEBI Complaints Redress System (SCORES)/Online Dispute Resolution (ODR) Portal:	<p>Investor complaints are processed at SEBI in a centralized web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status. The Company submits ATR on timely basis with respect to the complaints received from SCORES.</p> <p>In case any investor is still not satisfied with the outcome of the resolution, they can initiate dispute resolution through the ODR Portal.</p> <p>The ODR Portal has the necessary features and facilities to, <i>inter alia</i>, enrol the investor to file the complaint/ dispute. Your Company has done necessary enrolment on the ODR Portal.</p>

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

J. Investor FAQs

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

H. Unclaimed Shares

The Company does not have any unclaimed shares lying with it from any public issue. However certain shares resulting out of the bonus shares issued by the Company are unclaimed by the shareholders. As required under Regulation 39(4) of the SEBI LODR Regulations, the Company has already sent reminders to the shareholders to claim these shares. These shares are 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		
	High	Low	Month Close	High	Low	Month Close
2023						
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		
	High	Low	Month Close	High	Low	Month Close
2023						
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-It-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 places 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. 117366WW100018)

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 Vasantryao 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-It-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 trainees 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							

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 at least 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 at least 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.