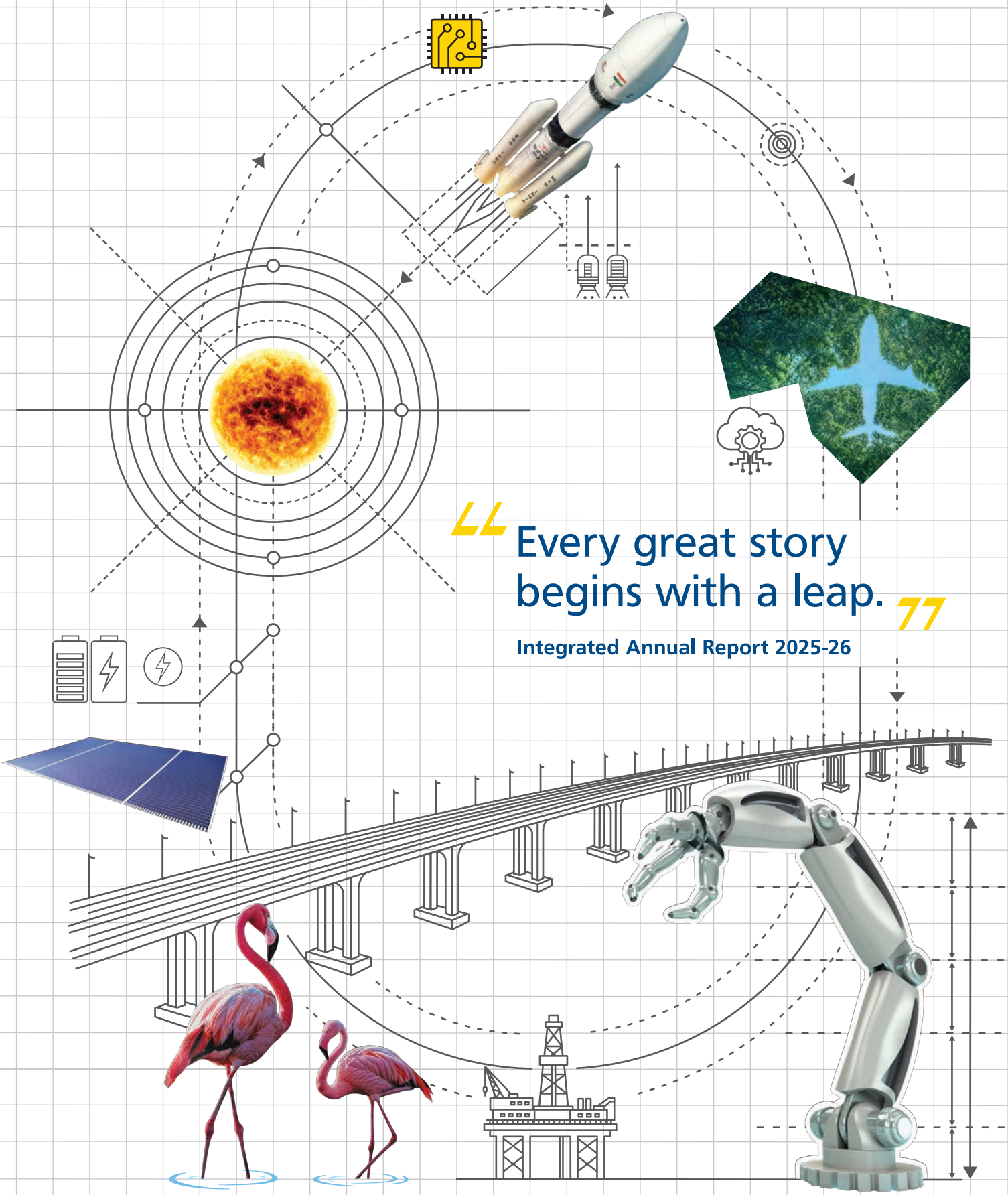
LARSEN & TOUBRO



Every great story begins with a leap.

Integrated Annual Report 2025-26

VISION

L&T aspires to be a builder of nations.

We will build a better future with engineering, technology and innovation; contributing to each geography and community that we operate in.

With trust, integrity & excellence at our core, we will aspire to be the partner of choice for our customers.

Our employees are valued partners in our entrepreneurial journey; empowered to reach their fullest potential and deliver exceptional value to all our stakeholders.

LARSEN & TOUBRO

Dear Shareholders,

The year under review, 2025-26, was marked by significant shifts in the global technology, economic and geopolitical landscape. Advances in Artificial Intelligence (AI) continued to drive innovation and transformation across industries, while the shifting global tariff regimes and the conflict in West Asia have disrupted supply chains, energy markets and capital flows.

Amidst this evolving environment, the Indian economy remained resilient. Increased public investment in infrastructure and initiatives promoting *Aatmanirbharta* (self-reliance) reinforced India's position as the fastest-growing major economy. As a management, we are trying our best to get mentally used to events beyond our comprehension and lookout – like the COVID-19 pandemic, Suez Canal blockage, Red Sea challenge, tariffs, unnatural price increase, conflict in West Asia, to name a few.

For Larsen & Toubro, 2025-26 was a year of steady progress. Record order inflows, strong revenue growth and improved profitability strengthened your Company's presence across construction and infrastructure, hi-tech manufacturing and technology-driven services, while its continued focus on emerging sectors remained aligned with long-term strategic priorities.

The evolving situation in West Asia creates some near-term uncertainty. As a strategically important market for Larsen & Toubro, the developments in the region are being closely monitored by the management, with priority accorded to employee safety, business continuity and asset protection. Over time, the restoration of normalcy may also create opportunities for rebuilding and investment activity.

Backed by nearly nine decades of experience in navigating external challenges, your Company remains confident, resilient and focused on delivering stable and consistent performance.



Message from the

CHAIRMAN AND MANAGING DIRECTOR

S. N. Subrahmanyan

Growth amidst a global reset

The operating environment in FY 2025-26 was characterised by volatility, uncertainty, complexity and ambiguity. Developments in global trade because of imposition of tariffs and countermeasures contributed to periods of market volatility. Disruptions in supply chains added to the uncertainty for multiple sectors such as transport and logistics, agriculture, industry and technology, with broader implications for economic growth. Geopolitical complexity intensified with the escalation of long-standing tensions in West Asia. Meanwhile the ambiguity surrounding rapid advancements in AI has also opened up huge opportunities, particularly in knowledge-intensive domains. In such times, leadership is not measured by the absence of challenges, but by the clarity, conviction and composure of the response to such situations.

Navigating this landscape has reinforced two beliefs. First, that leadership today demands both foresight and adaptability. Second, that sustainable, accelerated growth will ultimately be led by people.

Technology and AI can be great facilitators, but the direction of progress has to be set by human beings who are driven by integrity, domain expertise, competency, and are guided by a purpose to create a better tomorrow for humanity. We are therefore intensifying our focus on grooming talent and nurturing future leaders who have the courage to take a 'leap' — to innovate, to execute, and to uphold the L&T ethos while creating value for all stakeholders.

The Gulf Cooperation Council (GCC), accounting for nearly one-third of your Company's annual revenue of USD 32 billion, is a vital market for us. The conflict in the region has barely impacted us. It is business as usual at the 100 odd project sites there, with no material disruption to invoicing or collections. More importantly, all our people and assets are safe. This has been possible because of the strength of our client relationships — built over decades of trust, delivery and transparency. That ensured continuity and kept opening new avenues for collaboration on a continual basis.

Apart from clients, our vendor partners too face challenges in these circumstances. Your Company remains focused on addressing that through continued engagement with them so that we can continue to collaborate on mutually acceptable terms.



Thane Creek Bridge III - connecting Mumbai & Navi Mumbai, Maharashtra

The domestic market, which accounts for approximately half of the order book, offers resilience against global uncertainties. While Government of India is committed to continue its focus on infrastructure investments, its industrial focus is strategically shifting towards new-age technologies and sustainability, aiming to transform the country into a global manufacturing and innovation hub by 2047. These are expanding the horizon of opportunities for your Company.

Looking ahead, we expect sustained demand across infrastructure, hydrocarbon, renewables, power transmission & distribution, power capabilities and water treatment in both domestic and international markets. The passage of the SHANTI (Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India) Act is also expected to spur interest in small modular reactors, an area of relevance to your Company given its decades-long expertise in engineering and manufacturing critical reactors and pressure vessels, including for the nuclear sector. In India, early signs of renewed private investment across sectors such as energy transition, real estate, data centers, electronics, semiconductors and select traditional industries are expected to create additional opportunities for the Company.

In this backdrop, a few external factors continue to require careful consideration. Cash conservation is being pursued across the Group in a focused manner with increased emphasis on working capital management. In addition, cybersecurity readiness and network resilience are also being stepped up. The Company is adopting a selective and disciplined approach to project bidding, supported by clear guardrails on sectors and geographies addressed, without any compromise on quality.

Challenging phases also provide an appropriate context to focus on enhancing internal capabilities and preparedness, including the following:

- Exploring opportunities on how best to dovetail technology into every aspect of operations for achieving higher productivity and efficiency
- Pursuing selective collaborations and strategic acquisitions to enable access to critical capabilities and strengthen long-term competitive positioning
- Encouraging employees to embrace AI to upgrade skills and remain future-ready
- Stepping up team-building activities to foster an atmosphere of innovation through collaboration



Varanasi Cricket Stadium, Gajari, Uttar Pradesh

Safety first

Workplace safety is of paramount importance. Your Company has evolved from its 'Mission Zero Harm' safety philosophy to a more proactive 'Vision Know Harm' (phonetically 'Vision - No Harm'). While 'Zero Harm' (i.e. no loss of life or serious injuries) remains the ultimate goal, 'Know Harm' strategy strives to sensitise employees and workers in spotting risks in advance and empowers them to take corrective action. Extensive use of digital technologies is made to monitor safety lapses, detect high-risk activities and issue alerts real-time. As a result of these, during the year your Company has clocked 1,369 million accident-free working hours.

To make occupational health and safety integral to its operations, the Company has institutionalised a structured Reward and Penalty mechanism for select EPC businesses. Under this framework, pre-defined EHS performance targets are linked to financial incentives and disincentives at the business unit level. Performance against these targets has a direct bearing on performance-linked pay outcomes for employees within the respective units, thereby strengthening accountability and oversight for safety performance.

Group businesses

Building on the success of Lakshya 2026, your Company has now embarked on its next 5-year strategic growth plan, Lakshya 2031, to enhance the agility and resilience of its business model. The objective is to make the organisation more future-ready through accelerated adoption of digital technologies (particularly across the core verticals), improved profitability, and continued incubation of new-age businesses. As your Company continues to explore opportunities in emerging sectors and new geographies, the grooming of next-generation leaders capable of navigating the digital age is a priority.

While some businesses of your Company may face temporary headwinds due to the ongoing geopolitical uncertainties, the well diversified portfolio of projects, products, services and solutions will ensure a steady and balanced mix of revenue streams.

1. Core EPC Business

Your Company continues to enjoy market leadership in the core construction businesses of:

(A) Infrastructure

The continued pursuit for quality and timely completion while executing large-scale, complex EPC projects has always been the hallmark of your Company.

Highlights of the year:

- *Kartavya Bhavan* 1, 2 & 3 and *Seva Teerth* in Delhi inaugurated by Prime Minister of India
- Phase 1 of the Navi Mumbai International Airport in Maharashtra inaugurated by Prime Minister of India
- Inauguration of Phase 1 of Patna Medical College and Hospital in Bihar which, upon completion, will become world's second-largest hospital
- Achieved significant milestones at the Rajasthan Atomic Power Plant (RAPP) units 7 & 8 with the project's Natural Draught Cooling Towers (NDCTs) and related works being executed ahead of schedule
- Inauguration of the south-side arm of Thane Creek Bridge-III in Maharashtra

- Inauguration of Gateway of Guwahati on the Brahmaputra River in Assam, India's first modern river ferry terminal and jetty
- Commercial operation started on the entire section of mainline 182 TKM of the Delhi-Meerut RRTS after the completion of slab tracks
- Delivered multiple landmark commissioning at Tata Kalinganagar
- Inauguration of the 112.5 MW Goaltore solar power plant in West Bengal, making it one of the largest renewable power projects in eastern India
- Successful beaming of a critical 156 km transmission line connecting Rooppur and Gopalganj, marking a significant boost for Bangladesh's energy infrastructure

(B) Energy

Your Company pursues growth opportunities in this sector through four distinct business verticals: Hydrocarbon Onshore, Hydrocarbon Offshore, Offshore Wind and CarbonLite Solutions.

Highlights of the year:

- Successful completion and commissioning of the Jafurah Gas Compression Project Phase-1 for Saudi Aramco in Kingdom of Saudi Arabia
- Successful commissioning of the Residue Upgradation Facility (RUF), with a capacity of 3.55 MMTPA, for Hindustan Petroleum Corporation Limited (HPCL) at Visakhapatnam in Andhra Pradesh
- Hydrocarbon Offshore's successful energisation of all facilities under the Marjan Increment Package 2 project for Saudi Aramco in Saudi Arabia
- Completed Daman Upside Development Project and enabled ONGC to monetise earlier than their original plan by offering innovative solutions
- Successful completion of the BGEPIL Tapti Decommissioning Project, India's first full-scale offshore decommissioning initiative
- Achieved the Commercial Operation Declaration (COD) for Unit-1 at 2x660 MW SJVN thermal power plant in Buxar, Bihar
- Achieved the COD for Unit-2 at the 2x660 MW Khurja super thermal power plant in Uttar Pradesh



Residue Upgradation Facility (RUF), HPCL Vizag Refinery, Andhra Pradesh

2. Hi-Tech Manufacturing

Your Company has been a pioneer in import substitution through the development of indigenous technologies, in alignment with and ahead of India's evolving *Aatmanirbharta* vision. With advanced Industry 4.0 practices in place, the Heavy Engineering (HE) vertical continues to lead globally in engineered-to-order equipment. Through pioneering shop modernisation using robots/cobots, significant productivity gains are being realised — for instance, a single operator can now simultaneously run three overlay welds. The Precision Engineering and Systems vertical is well positioned to capitalise on the Government of India's localisation thrust across the defence, aeronautical and space technology domains.

Highlights of the year:

- HE successfully manufactured one of the heaviest Cr-Mo-V Hydrocracking Reactor for ExxonMobil's Baytown Refinery Project in Texas, USA
- L&T and Hindustan Aeronautics Ltd. jointly produced India's first industry-manufactured PSLV rocket
- Unveiling of Zorawar Light Tank, a state-of-the-art platform jointly developed by the Defence Research and Development Organisation and L&T
- Delivery of the first Anti-Submarine Warfare - Shallow Water Craft, the first weapon-intensive platform created jointly by L&T and Garden Reach Shipbuilders & Engineers, reflecting a new era of synergistic defence production
- HE's MRU (modification, revamp, upgrade) division successfully executed one of the most complex and time-critical refinery turnarounds for Saudi Arabia's PRC HOFCC Converter Unit, housing the world's second largest FCC reactor and regenerator



Close-in Weapon System (CIWS) - indigenous air defence solution for countering aircraft & drones

- Creation of a ₹ 200 crore corpus to invest in startups for developing advanced technology, particularly in areas such as launch systems, radars, and traction devices
- Formation of L&T Electronic Products & Systems, a dedicated business segment under the PES vertical, for creating IP-driven, design-led electronics product platforms to support future growth across energy, mobility, industrial automation, electronics manufacturing and strategic electronics

3. Services (IT, Engineering and Financial)

Your Company's listed services businesses remain focused on long-term value creation.

(A) LTM: LTIMindtree, India's 6th largest IT services company, rebranded as LTM Limited to position itself as an AI-centric 'Business Creativity Partner' for the agentic enterprise era. Central to this is the BlueVerse ecosystem, with BlueVerse Studio serving as a collaborative space where ideas are tested, solutions accelerated and clients empowered to scale AI responsibly. This marks a deliberate shift from traditional IT services to AI-led innovation and transformative business outcomes. A few notable achievements during the year include:

- Recorded its largest-ever deal wins during the year
- Contributed to one of the largest SAP ERP implementations within the Ministry of Defence by partnering with The Army Ordnance Corps to modernise inventory operations across the vast network of Indian Army depots
- Selected by Government of India's Income Tax Department to implement the PAN 2.0 Project for modernising the Permanent Account Number (PAN) and Tax Deduction and Collection Account Number (TAN) infrastructure
- As part of ICICI Bank's 'Vision 2025' plan, LTM developed a unified cloud architecture that integrates structured and unstructured data within a single, secure enterprise environment

(B) L&T Technology Services: A global leader in engineering R&D (ER&D) services with a presence in over 25 countries, LTTS combines its deep engineering expertise with digital technologies to assist Fortune 500 companies and top ER&D spenders in developing, testing and manufacturing innovative products. A few notable achievements during the year include:

- Initiated a shift to 'Engineering Intelligence' by combining physical and digital AI
- Launched proprietary AI frameworks and platforms and a new agentic AI platform to accelerate product development
- Inaugurated a new ITAR-compliant Engineering Design Center in Plano, Texas, tailored for advanced AI, digital manufacturing and cybersecurity, to support defense-grade product development, smart manufacturing, and smart city technologies
- The patents portfolio for FY 2025-26 stood at 1,706, including 1,033 co-authored filings and 673 own filings, of which 273 are in the AI / GenAI domain

(C) L&T Finance: LTF is a technology-driven NBFC with a domestic 'AAA' rating and a 98% retailised loan book, serving rural and urban markets. A few notable achievements during the year include:

- Completed the acquisition of the gold loan business of Paul Merchants Finance Private Limited along with its 130 branches and the transfer of the gold loan portfolio of ₹ 1,350 crore
- Assigned debut Investment Grade Credit Rating by International Rating Agencies (S&P and Fitch)
- Rollout of 'Project Cyclops', a proprietary AI-driven three-dimensional digital credit engine, designed to assess creditworthiness with unmatched precision, has led to a significant improvement in asset quality and strengthened growth momentum in two-wheeler and farmer finance businesses

- Initiated build of 'Project Nostradamus', an automated real-time cross-sell, risk and portfolio management platform leveraging macro parameters and alternate data

4. Other businesses

Green Energy: The Company's entry into the green energy sector is supported by an integrated business model spanning the full industry value chain, structured around two core segments:

- Asset Development for Green Hydrogen and its derivatives

- Hi-Tech Manufacturing for Electrolysers

The approach enables the Company to deliver end-to-end green energy solutions, ranging from equipment supply from original equipment manufacturers (OEMs) to development of build-own-operate (BOO) green energy assets, as showcased by the 10 KTPA green hydrogen plant that is coming up in Panipat, Haryana



Elara Celestia, Bengaluru, Karnataka

L&T Realty: One of India's most trusted premium real estate developers, the company has a strong presence in Mumbai (MMR), Bengaluru, Chennai and Delhi (NCR), with a total portfolio of 71 million sq.ft. of development potential across residential, commercial and retail segments.

Construction Equipment and Industrial Products Design & Development:

The erstwhile Construction & Mining Machinery (CMB) business was rebranded as CE & IPDD to reflect a broader strategic focus, incorporating specialised industrial product design and development alongside its traditional mining and construction machinery lines. As India's trusted technology-driven leader in the infrastructure, industrial and mining equipment sector, CE & IPDD achieved the following:

- The Kansbahal business unit achieved a major international milestone with the successful installation and commissioning of its largest-ever 1,100 TPH Gabbro Aggregate Crushing Plant for the JSW Fujairah project in the UAE

- Secured pilot orders for Automatic Visual Inspection (AVI) systems and Passenger Car & Light Truck Tyre Building Machines from leading Indian tyre manufacturers, validating Rubber Processing Machinery's (RPM's) technology leadership

5. New-age businesses

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

Larsen & Toubro Vyoma: L&T-Cloudfiniti, the data center and cloud services business, was rebranded as Larsen & Toubro Vyoma. The business is looking to expand its bouquet of services through integration of advanced AI capabilities, cloud-native architectures, and low-carbon operations to ensure scalability, security, sovereignty and sustainability. Towards this end, the Company has entered into a partnership with NVIDIA, to develop high-performance, green AI data centers and sovereign AI infrastructure in India.

L&T Semiconductor Technologies: As India's first fabless semiconductor firm focused on global smart device design across mobility, energy, industrial sectors and data center, LTSCT strengthened its capabilities through the acquisition of the Power Module Design Assets of Fujitsu General Electronics Ltd, Japan. The agreement includes the transfer of the power semiconductor R&D team, design patents, specialised equipment and core intellectual property.

L&T-SuFin: The B2B digital marketplace streamlines procurement, supply chains, logistics and financing for industrial and construction sectors. To provide focus and scale to the e-commerce platform, the business has been carved out into a wholly-owned subsidiary of L&T, namely SuFin Limited, to house the business effective from April 1, 2026
.

L&T EduTech: The digital platform bridging industry-academia gaps with skilling solutions tailored to future workforce needs, achieved the following:

- Touched a milestone of enrolling 4,00,000 learners, with over 20,000 students enrolled for its premier 4-year Integrated Programme

- A state-of-the-art 'EV & Emerging Tech Experience Hub' was unveiled at L&T's Chennai headquarters to provide learners with practical, hands-on experience using electric powertrains, charging systems and intelligent mobility technologies

- Launched a specialised module on 'prompt engineering' for familiarising L&T employees with the use of AI tools

Value unlocking

In order to unlock capital, your Company, during the year, continued its exit from non-core businesses:

- The Company executed a Share Purchase Agreement on April 29, 2026, with Hyderabad Metro Rail Limited, a Government of Telangana Enterprise, for disposal of its entire shareholding in L&T Metro Rail (Hyderabad) Limited, a subsidiary of the Company, for a consideration of ₹ 1,461.47 crore. Upon completion of the transaction, L&T Metro Rail (Hyderabad) Limited would cease to be a subsidiary of the Company.

Signed agreements for divestment of
Hyderabad Metro Rail
and
Nabha Power

- The Company signed an agreement to divest 100% of its stake in Nabha Power Limited to Torrent Power Limited for a total enterprise value of ₹ 6,889 crore.

Key collaborations

The year under review has been marked by a strong focus on collaboration. Entities within the Group have entered strategic partnerships with leading domestic and international partners to explore opportunities. A few of the notable ones are detailed below:

- L&T, together with Hitachi Energy, secured a portion of the USD 33 billion North Sea power project by TenneT, a Netherlands-based grid operator, where the consortium will work on six high-voltage direct current (HVDC) projects, each with a capacity of 2 GW. L&T will take charge of project management and installation of HVDC transmission systems, while Hitachi Energy will supply the core electrical equipment.
- L&T joined forces with Bharat Electronics Limited to form a consortium to participate in the Indian Air Force's 5th-generation Advanced Medium Combat Aircraft (AMCA) programme.
- L&T and General Atomics Aeronautical Systems, Inc. announced a strategic partnership to locally manufacture Medium Altitude Long Endurance (MALE) Remotely Piloted Aircraft Systems (RPAS) in India.
- L&T Energy GreenTech signed a binding Joint Development Agreement with Japan's ITOCHU Corporation to develop and commercialise a 300 KTPA green ammonia project at Kandla, Gujarat, and followed it up by signing a long-term partnership agreement.
- The Company announced a) Proposed venture under the IndiaAI Mission to build sovereign, scalable GW-scale NVIDIA AI factory infrastructure to reinforce India's position as a global AI powerhouse.
- LTSCT has entered a three-year agreement with CP PLUS to introduce indigenously designed Vision AI System-on-Chip (SoC) technology to enhance India's self-reliance in surveillance technology.
- LTTS joined the MIT Media Lab as a multi-year consortium member, enabling cross-disciplinary research into next-gen AI in Mobility, Sustainability, and Tech, targeting breakthroughs in Agentic AI and sustainable infrastructure.
- LTTS forged a strategic alliance with SiMa.ai, a Physical AI pioneer, to co-develop scalable, high-efficiency AI solutions in the areas of mobility, healthcare, industrial automation and robotics using the latter's hardware and software stack.

Group performance review

For yet another year, your Company charted robust growth, as evident from its financial results. Group **Order Inflows** for the year stood at a record high of **₹ 4.36 lakh crore, up 22% year-on-year**, driven by order wins in Infrastructure and Energy sectors, a large chunk of which were from the Gulf Cooperation Council (GCC) countries. With this, international order inflows surpassed domestic wins for three consecutive years.

₹ 7.40 lakh crore
Order Book size at all-time highest

International orders
52%

Your Company's **Order Book** stood at a record high of **₹ 7.40 lakh crore**, registering a **growth of 28% year-on-year**. International orders now constitute 52% of the Order Book. This ensures multi-year revenue visibility.

The L&T Group recorded **Revenue** of **₹ 2.86 lakh crore** during the year, registering a modest **growth of 12%**.

Y-o-Y growth
12% in Revenue
18% in Recurring PAT

Your Company maintained a strong execution momentum with technology playing the role of an accelerator.

L&T Group's **Recurring Profit After Tax** at **₹ 17,238 crore** represents a **growth of 18%** over the previous year.

A combination of improved profitability and superior working capital management has resulted in improved return ratios over time. In the last few years, the Group has repaid borrowings, and this has led to the **Group Net Debt : Equity ratio** improving from 0.6:1 in 2024-25 to **0.35:1 in 2025-26**. The Group's consolidated debt largely comprises borrowings at L&T Finance Limited, an NBFC subsidiary.

Net Debt : Equity ratio at
0.35 : 1

As always, shareholder value creation remains a core objective for the Group. The strategic divestment of non-core assets, realisation of cost efficiencies, prudent capital allocation and nurturing of new-age digital businesses are directed towards this

objective. Supported by a diversified business portfolio, wide geographical presence, strong balance sheet, proven execution capabilities and a dedicated and motivated workforce, the Company is well positioned to sustain and enhance long term value creation.

As a guiding business philosophy, the Company continues to prioritise strong cash generation and ensure regular returns to shareholders.

I am pleased to inform you that the Board of Directors of the Company has recommended a final **dividend of ₹ 38/- per share** for FY 2025-26.

Dividend of
₹ 38/-
per share

Tech-cellence - the way forward

Leveraging technology to excel in every aspect of its operations, your Company has repositioned itself as a tech-driven solutions provider. While engineering remains its core strength, digitalisation has amplified these capabilities through improvements in execution speed, safety, accuracy, cost efficiency and environmental performance.

Today, by utilising a vast array of technologies across its various verticals, including AI, ML, VR/AR, Cloud, Big Data & Analytics, Drones, GPS, RFID & QR Codes, LiDAR, BIM, IoT, 3D printing, your Company has made digital governance a reality. Adoption of frontier technologies like advanced sensors, embedded software and robotics is in progress. Your Company has digitally connected over 17,000 assets across its global projects and manufacturing bases to a central IoT platform. Leveraging the vast amounts of data generated daily by this extensive portfolio of assets, your Company has developed Small Language Models (SLMs) to be used for L&T-specific situations for optimising asset utilisation and resource planning, ensuring maximum efficiency. Your Company has already developed more than 100 algorithms of which 34 are fully functional and the balance are in test-phase.

17,000+ assets
digitally connected pan-L&T

Developed 100+ algorithms
of which 34 are fully functional

Your Company is deploying GenAI across the entire project life-cycle – from tendering to contract management, including the identification of contractual risks, to design, execution and operations and maintenance – leveraging it as a decision support tool within well defined governance frameworks and guardrails. It is also extensively applied for routine office functions across disciplines. The use of technology also continues to shape a growth path that is aligned with the Company's sustainability goals.

ESG commitment

Your Company, as a responsible corporate citizen, has embedded ESG (environment, social and governance) principles into its core business strategy.

(a) Environment

As part of its commitment towards the preservation of our planet, your Company has undertaken efforts on multiple fronts.

- To achieve Water Neutrality by 2035, initiatives have been undertaken to implement water conservation measures, reduce water consumption intensity and increase water recycling across its offices, campuses, factories and project sites
- To achieve Carbon Neutrality by 2040, efforts are on to lower greenhouse gas (GHG) emissions through energy efficiency, enhance carbon capture, increase renewable energy adoption, replace older machinery with energy-efficient alternatives and reduce diesel reliance in its equipment. Presently, 19% electricity consumption of the Group comes from renewable sources
- To enhance biodiversity, your Company has planted more than 1 million saplings during the year

Planted more than
1 million saplings

Projects that help in lowering carbon emissions, improving water availability, recycling and reuse, scaling up energy efficiency, reducing air pollution and enhancing resource conservation, are collectively termed as 'Green Business' in your Company. For 2025-26, Green Business stood at ₹ 787 billion, which is 51% of the Company's standalone revenues. As building of climate-friendly infrastructure is emerging as a global trend, this figure will only keep growing, thereby opening up massive possibilities for your Company globally.

Green Business accounts for
51%
of Company's standalone revenues

(b) Social

Deeply committed to inclusive growth and building long-term, trust-based relationships with all stakeholders, your Company undertakes focused CSR interventions pertaining to education, healthcare, water and sanitation, and skill development to benefit the communities in and around the areas where it operates. From the multiple programmes it undertakes, more than 1.9 million people were positively impacted during the year.

Benefitted more than
1.9 million people
through CSR initiatives

Jyoti STEM
education programme covering
341 schools & 51,741 students

- Project *Jyoti* (STEM education) reached 341 schools covering 51,741 students who have demonstrated improved conceptual clarity and better performance in Mathematics and Science
- Project *Nayi Disha* positively impacted more than 26,000 lives – including students, teachers, women and families – enhancing access to education, improving health outcomes and building resilient, self-reliant communities across Jharkhand, Bihar and Odisha

Project *Nayi Disha*
improving health & education of
26,000+ lives
across Jharkhand, Bihar and Odisha

- Vocational skills imparted to more than 13,000 trainees at L&T's 10 operational Construction Skills Training Institutes (CSTIs)
- Project *Unnati* (water security) has reached over 30,000 households in water-distressed regions of Maharashtra, Rajasthan and Tamil Nadu spanning an area of approximately 46,035 hectares, and the interventions resulted in an average increase of 9.95 meters in the water table in these regions

***Unnati* programme addresses**
water security problems for
46,035 hectares
&
30,000+ households



STEM session in progress at Project *Jyoti*

(c) Governance

Your Company has put in place a comprehensive corporate governance structure designed to ensure transparency, accountability and stakeholder value, often exceeding statutory requirements.

L&T's multi-level governance architecture, from the Board to site level, ensures alignment among strategic intent, operational execution and accountability. Safety, one of the key focus areas, is now a part of annual performance assessment of businesses and balances incentives with penalties to drive sustained improvement. POSH policy has been enhanced with the implementation of a new system for managing the grievances. Central to its philosophy of sound governance and trust-building with stakeholders, the Company ensures quality, consistency and timeliness of its disclosures, both financial and non-financial, providing a comprehensive view of its strategies, targets and performance. Going beyond compliance, the Company emphasises openness, accountability and ethical decision-making through strong internal controls, advanced technologies and alignment with evolving expectations, which strengthen investor confidence thus supporting responsible growth.

Access to global capital is getting increasingly linked to an organisation's ESG footprint. Therefore, staying focused on the ESG goals is of paramount importance. Each vertical, in its annual plan, sets ESG goals and the performance gets documented meticulously, which ultimately gets reflected in the Integrated Annual Report. Your Company is also on a mission to sensitise its vendors and suppliers on the importance and advantages of ESG.

Underscoring this commitment to augment the sustainable business portfolio, your Company issued India's first listed sustainability-linked bond, for ₹ 500 crore, under the Securities and Exchange Board of India's (SEBI) ESG Bond Framework and followed it up with the securing of a Sustainability-Linked Trade Facility (SLTF) worth USD 700 million with Standard Chartered.

Issued India's first listed
Sustainability-linked Bond

The human edge

Just as the Graphics Processing Units (GPUs) in semiconductors act as the foundational hardware for the AI revolution which allows technology to encroach into areas hitherto considered preserved for the human brain, your Company believes in the power of

GPU – 'genius potential unleashed' – of its own people towards maintaining a stellar track record of top-quality and on-time delivery of engineering solutions. A firm believer in continuous learning and training, your Company provides ample opportunities to its employees to upskill, so that in-house talent is ready to take on new roles and opportunities that open in both the traditional and the new-age businesses. In this journey of knowledge-driven growth, employees clocked nearly 40 lakh learning hours of training, in sessions conducted both physically and virtually.

Identifying potential leaders who can take the Group to greater heights is an ongoing process. The fine-tuning of the leadership development programme is in progress to fast-track the careers of potential leaders.

Committed to create an inclusive work environment, your Company has introduced several career-assisting schemes for women and a number of women-friendly initiatives. These initiatives have significantly advanced our Lakshya 2026 gender diversity goal, with women employees now constituting close to 10% of the total workforce. The growing participation of women across both engineering and non-engineering roles is contributing to a more diverse and effective talent base.

A culture of recognition and celebration continues to fuel high performance, foster healthy competition, and reinforces mutual respect among teams. This employee-centric approach has once again earned the Company the prestigious 'Great Place to Work' (GPTW) certification – for the third consecutive year, reaffirming L&T's position as an employer of choice.

Navigating the future together

The global environment remains uncertain, and the near term may continue to see phases of volatility. Your Company, however, has navigated multiple cycles of disruption in recent decades. On each occasion, it has demonstrated resilience and emerged stronger, supported by the enduring trust and partnership of all its stakeholders — customers, vendor partners, investors, employees, as well as the government. This time too, your Company remains guided by its enduring *mantra* of 'Can do, Will do, Will get it done' as it continues to move forward with confidence.

As the Company aims for the Lakshya 2031 targets, I would like to take this opportunity to express my sincere gratitude to all our stakeholders for the support extended throughout this journey. I also extend my appreciation to my fellow Board members for their valuable guidance and counsel in enabling the Company to embark on the next phase of its growth. A special word of thanks to our shareholders – your enduring trust remains our greatest strength as we continue to pursue excellence in all that we do. Your Company looks forward to your continued support as it strives to set new benchmarks of tech-cellence while delivering sustained growth.

Jai Hind!



Winners at Young Entrepreneurs Finale 2026, Mumbai

LARSEN & TOUBRO

“Engineering a 10x hotter sun, 93 million miles closer than the original one.”

It takes a massive leap in technology to create the world’s largest source of renewable energy.

It takes a breakthrough to explore the thermonuclear unknown.

It takes building a vessel that can withstand heat ten times hotter than the sun.

To harness the immense power of nuclear fusion, and to gift humanity limitless, clean energy – we just took a leap.

A leap of certainty, backed by precision.

JUST LEAP



SCAN TO SEE OUR LEAP

The Cryostat at the heart of the ITER Project, France, by L&T

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COMPANY INFORMATION

BOARD OF DIRECTORS

MR. S. N. SUBRAHMANYAN
Chairman & Managing Director

MR. SUBRAMANIAN SARMA
Deputy Managing Director & President

MR. R. SHANKAR RAMAN
President, Whole-time Director & Chief Financial Officer

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

MR. T. MADHAVA DAS
Whole-time Director & Sr. Executive Vice President (Utilities)

MR. ANIL V. PARAB
Whole-time Director & Sr. Executive Vice President (Heavy Engineering & Manufacturing)

MR. SANJEEV AGA
Independent Director

MR. NARAYANAN KUMAR
Independent Director

MRS. PREETHA REDDY
Independent Director

MR. PRAMIT JHAVERI
Independent Director

MR. RAJNISH KUMAR
Independent Director

MR. JYOTI SAGAR
Independent Director

MR. AJAY TYAGI
Independent Director

MR. P. R. RAMESH
Independent Director

MR. SIDDHARTHA MOHANTY
Nominee of Life Insurance Corporation of India

MR. AMITABH KANT
Independent Director

MR. B. SANTHANAM
Independent Director

Company Secretary & Compliance Officer
Mr. Subramanian Narayan

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

Statutory Auditors
M/s. M S K A & Associates LLP

Registrar & Share Transfer Agents
KFin Technologies Limited

81st Annual General Meeting through Video Conferencing or Other Audio-Visual Means on Friday, June 5, 2026 at 3:00 p.m. IST


LARSEN & TOUBRO
We didn't build a garden in an airport. Instead, we built an airport in a garden.
For the Garden City's new airport terminal that operates 100% on renewable energy, we first planted the seed of an 'inside out garden'.
We then nurtured it into a 70-acre terminal using eco-friendly building materials, featuring gardens at every turn, and weaving nature into the airport's architecture.
We took a leap away from convention towards sustainable construction.
JUST LEAP
SCAN TO SEE OUR LEAP
A 70-acre green and sustainable terminal at Bengaluru International Airport by L&T

EXECUTIVE COMMITTEE (ECOM)



S. N. SUBRAHMANYAN
Chairman & Managing Director



SUBRAMANIAN SARMA
Deputy Managing Director
& President



R. SHANKAR RAMAN
President, Whole-time Director
& Chief Financial Officer



S. V. DESAI
Whole-time Director &
Senior Executive Vice President
(Civil Infrastructure)



T. MADHAVA DAS
Whole-time Director &
Senior Executive Vice President
(Utilities)



ANIL V. PARAB
Whole-time Director &
Senior Executive Vice President
(Heavy Engineering & Manufacturing)



STHALADIPTI SAHA
Senior Vice President & Head
Buildings & Factories

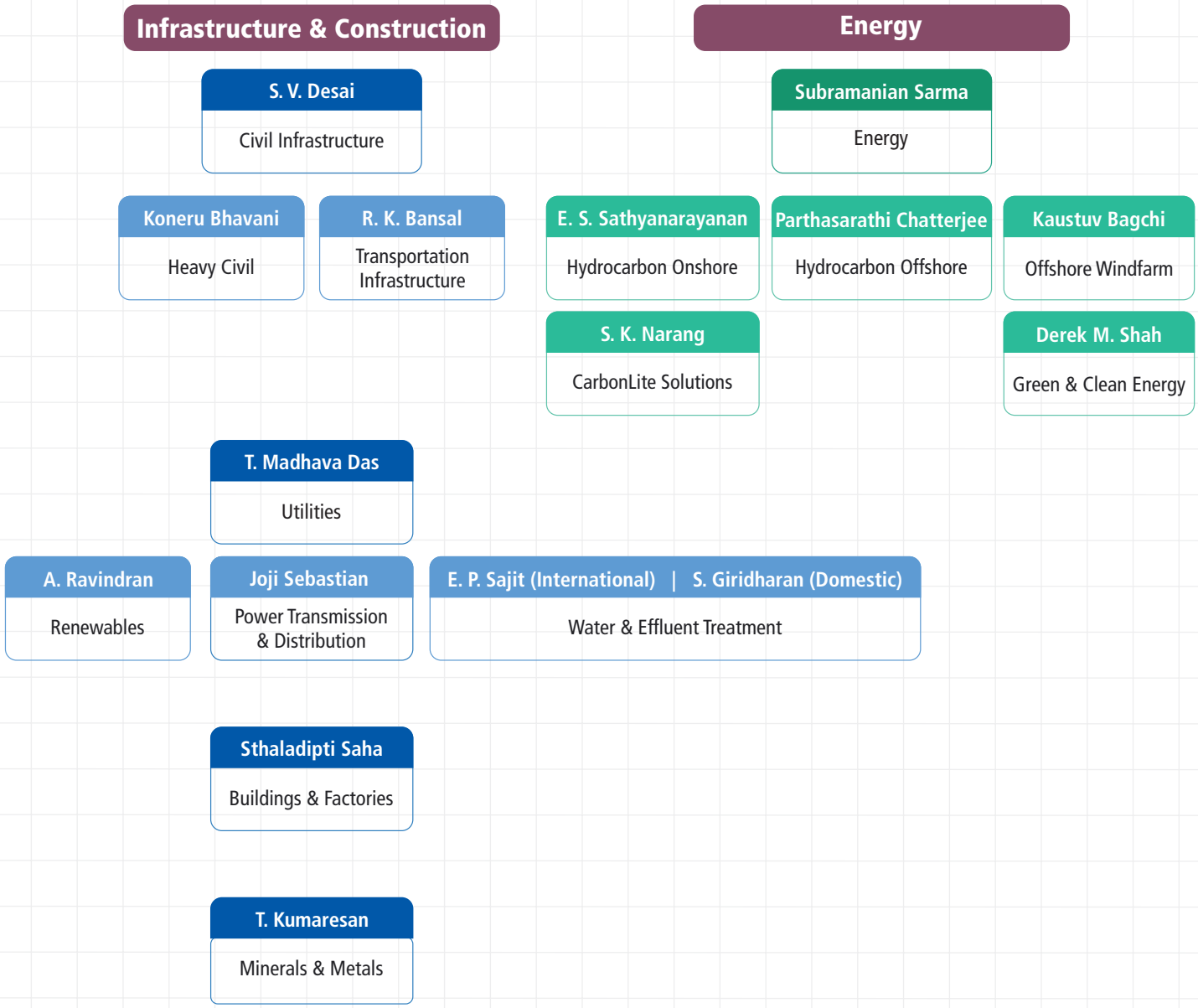


E. S. SATHYANARAYANAN
Senior Vice President & Head
Hydrocarbon Onshore



ANUPAM KUMAR
Chief Executive Officer &
Managing Director
L&T Realty Properties Limited

GROUP BUSINESS STRUCTURE



S. N. Subrahmanyan
Chairman & Managing Director

Hi-Tech Manufacturing

Anil V. Parab
- Heavy Engineering and Manufacturing

Falgun Chokshi
- Heavy Engineering

- Modification, Revamp & Upgrade

- Construction Mining & Machinery
- L&T Valves
- Rubber Processing Machinery
- L&T Construction Equipment
- L&T Special Steels & Heavy Forgings

Arun Ramchandani
- Precision Engineering and Systems
- Electronics Products & Systems

IT & Technology Services

Venu Lambu
- LTM

Amit Chadha
- L&T Technology Services

- Digital Services & E-Commerce Platforms
- L&T-SuFin
- L&T EduTech
- Larsen & Toubro Vyoma
- L&T Semiconductor Technologies

Development Projects

K. V. B. Reddy
- Hyderabad Metro

Rajesh Kumar
- Nabha Power

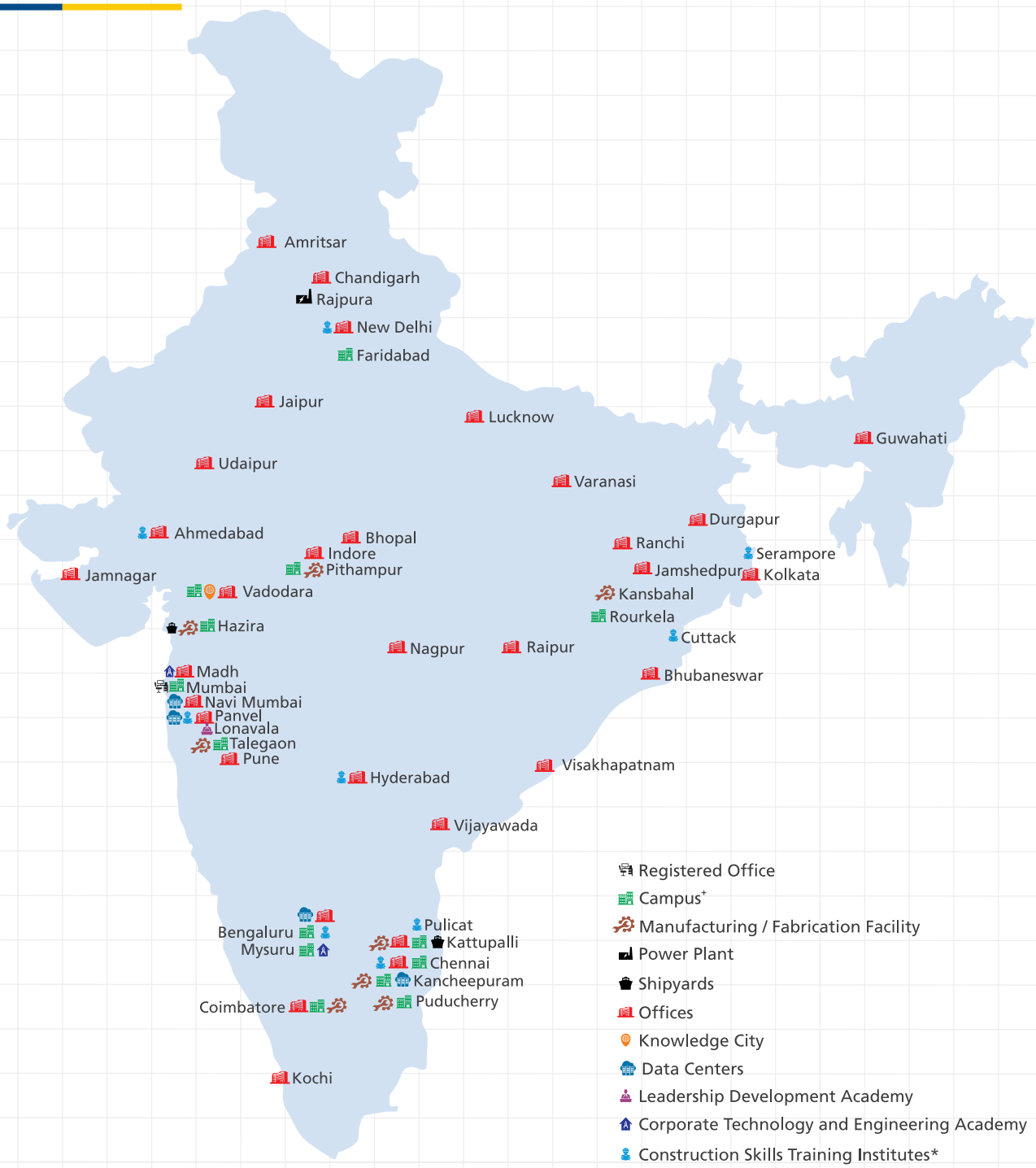
Real Estate

Anupam Kumar
- L&T Realty

Financial Services

Sudipta Roy
- L&T Finance

NATIONWIDE NETWORK

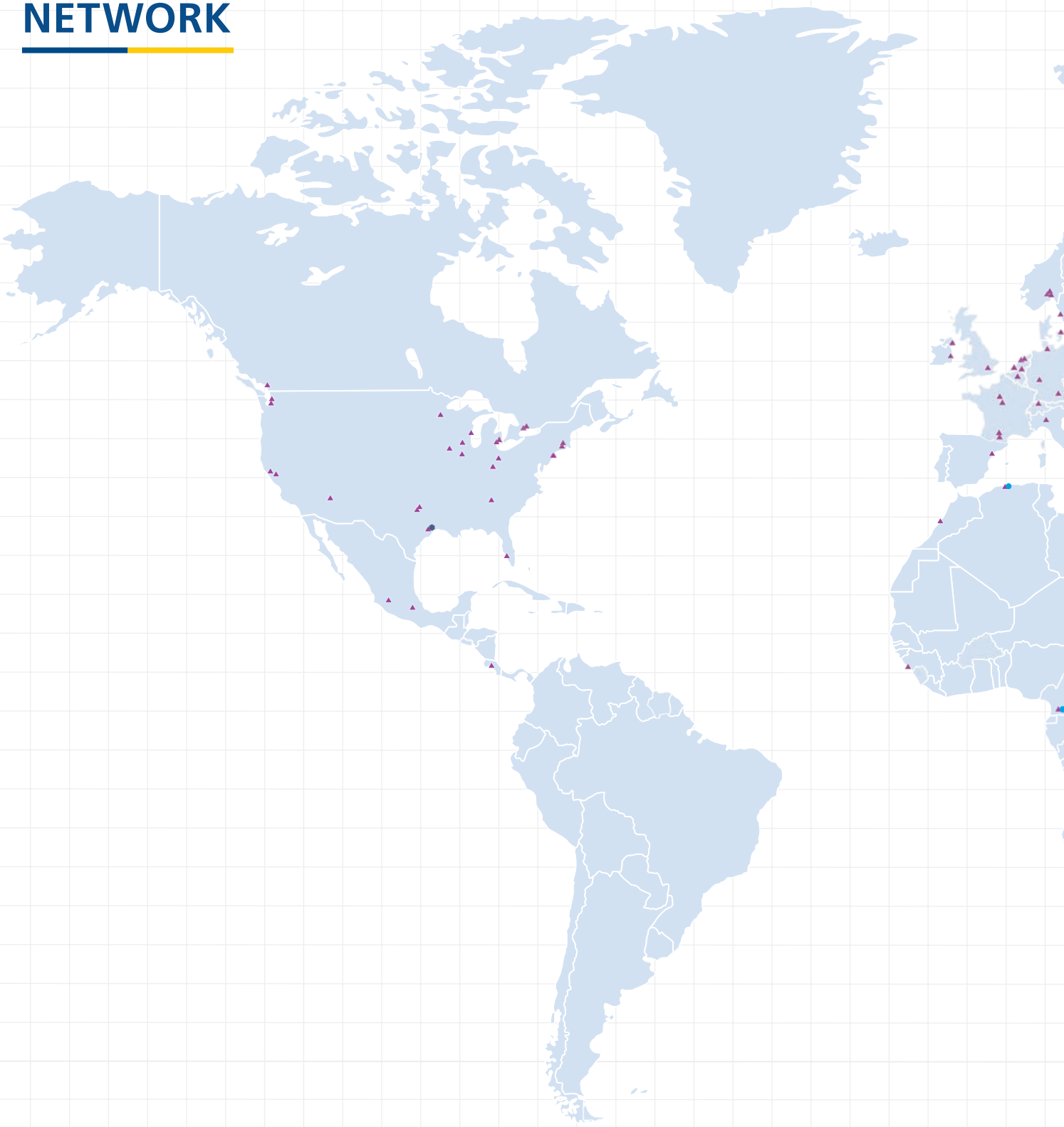


This pictorial representation does not purport to be the political map of India.

+ Campus denotes facilities for design and manufacture

* Part of L&T's Corporate Social Initiatives

GLOBAL NETWORK




Offices
Engineering & Construction Projects
Manufacturing/Fabrication Facilities


LARSEN & TOUBRO
India's longest sea bridge didn't just connect people. It connected us with the environment too.
Constructing the Atal Setu was a leap in sustainable construction. One that cared for our most important stakeholders – the neighbouring flamingos and marine life.
Through constant air monitoring, reverse drilling, eco-friendly lights and noise-controlled generators, we paved the way for gentle construction in fragile environments, creating a bridge that didn't just ease life on it, but also protected life around it.
We took a leap of innovation towards sustainability.
JUST LEAP
SCAN TO SEE OUR LEAP
India's longest sea bridge by L&T

STANDALONE FINANCIALS- 10 YEAR HIGHLIGHTS

₹ crore

Description	2025-26	2024-25 [9]	2023-24 [9]	2022-23	2021-22 [10]	2020-21 [10]	2019-20 [11]	2018-19 [11]	2017-18	2016-17
Statement of Profit and Loss										
Gross revenue from operations [1]	153680	142509	126233	110501	101000	87255	82384	82287	74612	66301
PBDIT[1][2]	12565	11588	9729	9295	9055	8309	6838	7653	7701	6481
Profit after tax (excluding exceptional items[3])	13130	10396	8883	7849	7612	5966	5414	5466	4861	4560
Profit after tax (including exceptional items[3])	6287	10871	9331	7849	7879	11798	6679	7491	5387	5454
Balance Sheet										
Net worth	74533	71896	64516	71528	67114	61738	52175	50048	49174	46013
Borrowings	11773	21935	22540	18151	20298	24474	25785	11990	10561	10558
Capital employed	86306	93831	87056	89679	87412	86212	77960	62038	59735	56571
Ratios and statistics										
PBDIT as % of net revenue from operations [1][4]	8.18	8.13	7.71	8.41	8.97	9.52	8.30	9.30	10.34	9.86
PAT as % of (net revenue from operations[1])[5]	4.09	7.63	7.39	7.10	7.80	13.52	8.11	9.10	7.23	8.30
RONW % [6]	8.59	15.94	13.71	11.32	12.23	20.54	13.07	15.74	11.32	12.37
Gross Debt: Equity ratio	0.16:1	0.31:1	0.35:1	0.25:1	0.30:1	0.40:1	0.49:1	0.24:1	0.21:1	0.23:1
Basic earnings per equity share (₹) [7]	45.71	79.06	67.14	55.85	56.09	84.02	47.59	53.43	38.46	39.00
Book value per equity share (₹) [8]	541.81	522.81	469.32	508.92	477.67	439.55	371.65	356.79	350.90	328.79
Dividend per equity share (₹) [8][12]	38.00	34.00	34.00	24.00	22.00	36.00	18.00	18.00	16.00	14.00
No. of equity shareholders	1,801,254	1,706,264	1,564,085	1,425,064	1,492,124	1,371,535	1,251,569	10,21,275	8,99,902	9,23,628
No. of employees	59,403	58,556	60,561	55,202	50,267	49,107	45,467	45,205	42,924	41,466

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

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

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

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

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

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

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

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

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

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

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

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

CONSOLIDATED FINANCIALS- 10 YEAR HIGHLIGHTS

₹ crore

Description	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Statement of Profit and Loss										
Gross revenue from operations [1]	285874	255734	221113	183341	156521	135979	145452	135220	119862	110011
PBDIT [1][2]	29151	26435	23494	20753	18205	15624	16329	15330	13641	11130
Profit for the year [PAT]	18954	17673	15547	12531	10419	12921	10894	10217	8004	6486
Profit attributable to the Owners of the Company (excluding exceptional items [3])	17238	14562	12966	10374	8572	6965	8894	8144	7151	5920
Profit attributable to the Owners of the Company (including exceptional items [3])	16084	15037	13059	10471	8669	11583	9549	8905	7370	6041
Balance Sheet										
Net worth attributable to the Owners of the Company	109290	97656	86359	89326	82408	75869	66723	62375	54904	50217
Non-controlling interest	19241	17748	16190	14241	12966	12052	9521	6826	5201	3564
Borrowings	121683	129559	114040	118513	123468	132605	141007	125555	107524	93954
Capital employed	250213	244963	216589	222080	218842	220525	217251	194756	167629	147735
Ratios and statistics										
PBDIT as % of net revenue from operations [1][4]	10.20	10.34	10.63	11.32	11.63	11.49	11.23	11.34	11.40	10.18
PAT as % of (net revenue from operations [1]) [5]	6.63	6.91	7.03	6.83	6.66	9.50	7.49	7.56	6.69	5.93
RONW % [6]	15.54	16.34	14.87	12.19	10.95	16.25	14.80	15.35	14.12	12.80
Gross Debt: Equity ratio [7]	0.95:1	1.12:1	1.11:1	1.14:1	1.29:1	1.51:1	1.85:1	1.81:1	1.79:1	1.75:1
Basic earnings per equity share (₹) [8]	116.93	109.36	93.96	74.51	61.71	82.49	68.04	63.51	52.62	43.20
Book value per equity share (₹) [9]	794.47	710.12	628.22	635.55	586.52	540.16	475.27	444.67	391.78	358.83
Dividend per equity share (₹) [9] [10] [11]	38.00	34.00	34.00	24.00	22.00	36.00	18.00	18.00	16.00	14.00

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

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

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

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

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

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

[7] Gross debt-equity ratio have been computed excluding the borrowings classified as held for sale. Debt-equity ratio including the borrowings classified as held for sale of ₹ 16622 crore as on March 31, 2026 is 1.08:1.

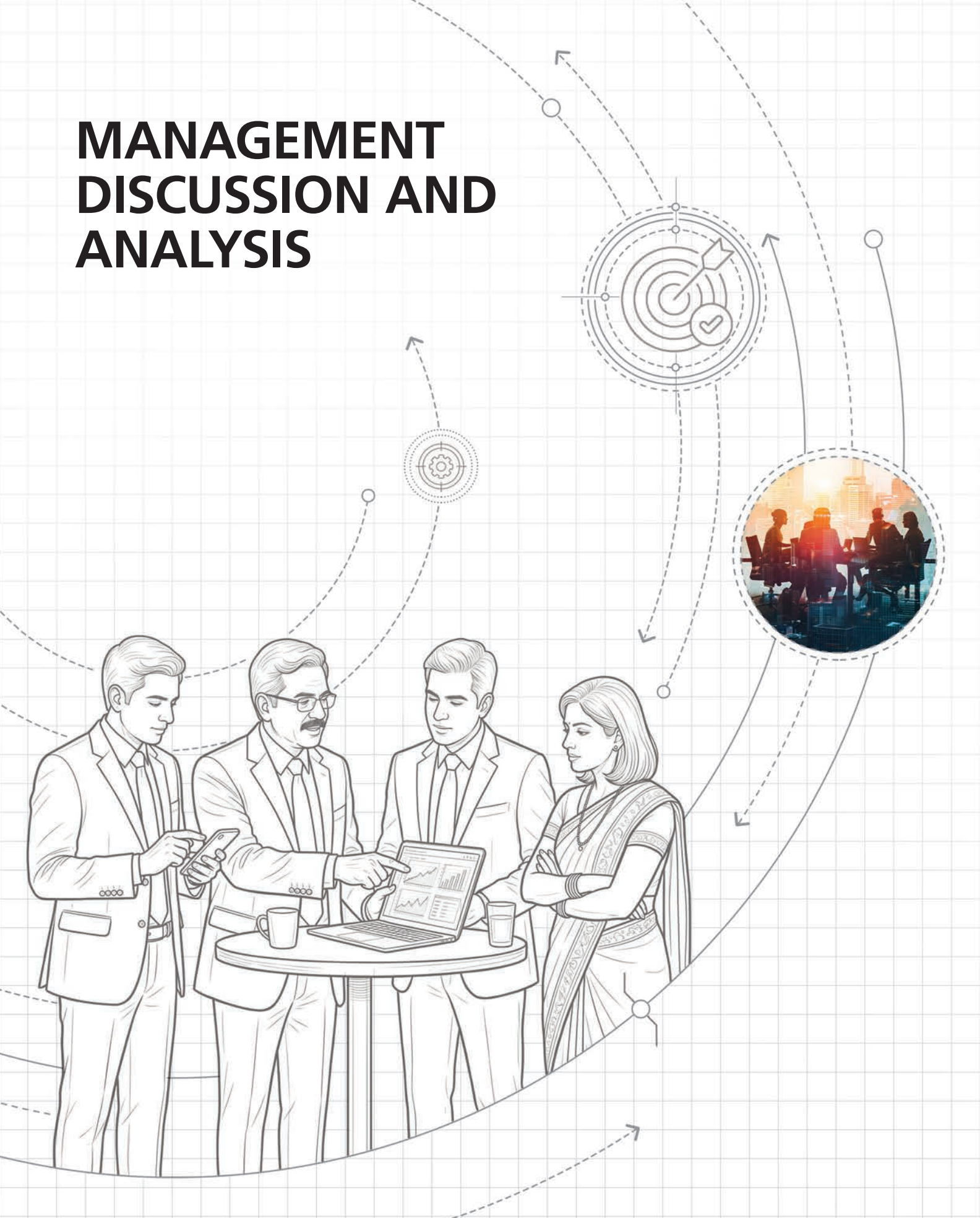
[8] Basic earnings per equity share has been calculated including exceptional items and adjusted for all the years for issue of bonus shares.

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS



Economy

Indian Economy

The Indian economy demonstrated resilience in FY 2025-26 amidst a challenging global environment characterised by geopolitical turbulence and fragmented trade conditions. India's real GDP growth for FY 2025-26 is estimated at approximately 7.4% - 7.6%, backed by domestic demand and sustained public capital expenditure. The private sector investment, while improving, remained measured, reflecting differentiated risks amidst a volatile trade and tariff environment.

India's headline inflation moderated significantly during FY 2025-26 and averaged around 2.0-3.0%, reflecting easing food and fuel prices and contained core inflation. Inflationary pressures remained well within the Reserve Bank of India's (RBI's) tolerance band, notwithstanding episodic volatility in select components.

Monetary conditions during FY 2025-26 remained supportive of economic activity. The RBI reduced the policy repo rate from 6.25% at the start of FY 2025-26 to 5.25%, balancing growth considerations with price stability amid evolving external risk conditions. System liquidity remained adequate, facilitating steady credit expansion to productive sectors, while the banking system and corporate balance sheets remained largely healthy.

India's external sector faced a challenging environment marked by weak merchandise demand, trade disruptions and tariff-related uncertainties. Goods exports remained under pressure, while imports, particularly of crude oil and electronics, were elevated. In contrast, services exports, led by IT and business services, cushioned the trade account deficit. Remittances remained robust, providing support to external finances. Consequently, the current account deficit remained contained at around 1.0-1.5% of GDP.

During FY 2025-26, the Indian rupee followed a depreciating trend, moving from the mid-₹ 85 range towards the ₹ 93-94 per USD level. Depreciation accelerated mid-year amidst tariff-related uncertainties and portfolio outflows, while a more marked weakness was observed in March 2026 driven by developments in West Asia. The exchange rate movement was supported by adequate foreign exchange reserves and prudent macroeconomic management.

India's service sector and digital economy, which are relatively less exposed to disruptions in West Asia, are expected to remain key growth engines. Momentum is likely to be sustained by continued expansion in fintech, cloud technologies, AI-enabled services and the rise of Global Capability Centres (GCCs).

The US-Israel-Iran conflict poses significant energy-related risks, with rising crude prices, LNG disruptions and elevated shipping and insurance costs directly impacting India's import bill and overall trade. This has already led to supply chain uncertainties with early spillover effects beginning to weigh on select energy-intensive and import-dependent sectors.

India's ability to navigate these challenges will depend on maintaining macroeconomic stability, strengthening domestic demand drivers, and sustaining reform momentum to support economic growth.

Global Economy

Global economic growth in calendar year 2025 is estimated at around 3.0%, reflecting heightened geopolitical tensions, evolving trade policies and divergent domestic policy responses across major economies. Growth was increasingly divergent across regions. While financial conditions improved modestly, supported by declining inflation and expectations of a gradual recalibration of monetary policy, the overall uncertainty quotient remained high.

The global economy entered CY 2026 in a fragile state, with key downside risks arising from higher policy uncertainty and escalating tensions arising from the conflict in West Asia. In CY 2025, US GDP growth was around 2.0%, supported by household consumption, sustained investment in technology and a broadly stable labour market. However, high energy prices, trade barriers, regulatory uncertainty and tighter financial conditions pose risks to economic momentum.

Growth in the Euro Area was subdued at around 1.5% in CY 2025, constrained by weak economic conditions, structural inefficiencies and continuing energy-related challenges. In China, growth was estimated at about 4.5%, as the economy faces a complex adjustment amidst slowing external demand, continued stress in the property sector, subdued consumer confidence and weaker trade. Potential tariff actions by the United States could further impact China's export oriented sectors, adding to near term growth challenges.

The Gulf Cooperation Council (GCC) region — led by Saudi Arabia — strengthened its growth foundation through sustained investments in physical and digital infrastructure alongside accelerated economic diversification. Real GDP growth across the GCC averaged about 3.0-3.3% in CY 2025, led by stronger performance in the UAE and Saudi Arabia, while other member countries recorded more moderate growth. Structural reforms across the GCC continue to support a gradual transition away from oil dependence, with clean energy, diversified industrialisation and tourism emerging as key growth drivers.

Against this backdrop, economic resilience will increasingly depend on domestic demand, fiscal capacity and progress in reducing energy dependence, even as international economic fragmentation continues to weigh on trade flows, investment activity and overall economic sentiment.

Business Model and Strategy

A. Progress towards Lakshya 2026

The current strategic plan, Lakshya 2026, concluded in March 2026. The performance in FY 2025-26 against strategic objectives as defined in Lakshya 2026 (L-26) is as follows:

Strategic Objectives (SO)	Performance Measures	Performance
SO-I **Value-accretive growth of current businesses**	• Revenue Growth • Composition of Services in Total Revenues	In FY 2025-26, the Group achieved revenues of ₹ 2,85,874 crore (12% growth y-o-y). The Services businesses reported growth of 12% y-o-y with a stable percentage share in revenues at 26% in FY 2025-26.
SO-II **Scaling up digital and e-commerce businesses**	• Growth of Digital & E-commerce businesses	In FY 2025-26, Larsen & Toubro Vyoma's data center and related services capacity reached 26 MW across facilities in Chennai and Panvel. In addition, Larsen & Toubro Vyoma is developing a 36 MW, AI-ready green data center in Mahape - Navi Mumbai, aligned with its sustainability objectives and long-term infrastructure planning. During the year, Larsen & Toubro Vyoma also launched its sovereign cloud platform, positioned as an AI-first cloud infrastructure solution, designed to address the growing requirements of enterprises and public sector institutions for data sovereignty, regulatory compliance and secure adoption of artificial intelligence. L&T Semiconductor Technologies Limited (LTSCT) strengthened its technology positioning through the acquisition of power module design assets from Fujitsu General Electronics Limited, Japan, and by entering a long-term partnership with Hon Young Semiconductor Company Limited, a wholly-owned subsidiary of Foxconn Technology Group, for silicon carbide (SiC) semiconductors targeting automotive and industrial applications. SuFin Limited, a wholly-owned subsidiary of Larsen & Toubro Limited, was incorporated and the business has been transferred from the parent entity on April 1, 2026. This restructuring is intended to sharpen strategic clarity and support the independent scaling of SuFin as a B2B digital marketplace platform. L&T EduTech has also improved its position in FY 2025-26 through scaled revenue growth across its core offerings.

Strategic Objectives (SO)	Performance Measures	Performance
SO-III **Developing business offerings to ride the Energy Transition wave**	• Size of Green Portfolio • New Business or Business offerings developed	The Group's share of Green Business is ₹ 787 billion, which is 51% of standalone revenues in FY 2025-26 (as compared to 53% in FY 2024-25). L&T continues to prioritise its participation in energy transition and sustainability. The Group's foray into the Wind energy leverages its core engineering capabilities to address rising clean energy demand and strengthen its participation in energy transition infrastructure opportunities. L&T Energy GreenTech Limited is partnering with Japan-based ITOCHU Corporation under a Joint Development Agreement to develop a 300 KTPA green ammonia facility at Kandla, Gujarat. The project represents a significant step in the Group's energy transition strategy.
SO-IV **Divestment of non-core businesses**	• Businesses divested	During the year, L&T Power Development Limited (LTPDL), a wholly-owned subsidiary of the Company, has signed a securities purchase agreement to sell its 100% of equity and convertible instruments in Nabha Power Limited to Torrent Power Limited. The Company has executed a Share Purchase Agreement on April 29, 2026 with Hyderabad Metro Rail Limited, a Government of Telangana enterprise, for disposal of its entire shareholding in L&T Metro Rail (Hyderabad) Limited (L&T MRHL), a subsidiary of the Company. The transaction is likely to be concluded by June 30, 2026.
SO-V **Enabling business sustainability through a high focus on ESG and Stakeholder Value Creation**	• Metrics linked to ESG performance are based on materiality, e.g., – Carbon Footprint – Resource consumption – Lost Time Injury Frequency Rate – Training Hours	For details, refer to the following in the Integrated Report section: • Natural Capital • Social and Relationship Capital • Human Capital

B. Developments in FY 2025-26

At a broader level, the evolving global landscape – marked by energy security concerns, accelerating energy transition, technological transformation and increasing execution complexity in large projects – has necessitated organisational and portfolio realignment across key businesses.

The Hydrocarbon business has been reorganised into three separate businesses, viz. Onshore, Offshore and Offshore Wind, to build deeper domain specialisation, leverage dedicated mega yards at Kattupalli, Hazira and Oman and strengthen offshore installation capabilities. The strategic separation enhances operational agility, engineering depth and client alignment, enabling focused growth, stronger partnerships and sustained leadership across evolving energy and infrastructure markets.

Further, to align with global decarbonisation trends, the Group's foray into the wind energy sector leverages its engineering and execution strengths to address the growing demand for clean energy and contribute meaningfully to the energy transition.

Technological transformation across digital platforms, AI, advanced materials, semiconductors and energy systems is accelerating at an unprecedented pace, elevating technology and AI capabilities from a competitive advantage to a strategic imperative. In this context, the Group continues to accelerate the growth of newly seeded business lines, including green hydrogen and its derivatives, semiconductor technologies, data centers (Larsen & Toubro Vyoma) and platform businesses such as L&T EduTech and L&T-SuFin.

As part of Lakshya 31, L&T is establishing Electronics Products and Systems (EPS) as a strategic, deep tech, IP led vertical providing the intelligence layer across defence and industrial businesses. The existing electronics business under PES IC, focused on the defence sector, is being merged into the newly formed EPS business. This integration creates an end-to-end, high value-added electronics portfolio, strengthening L&T's position in technology driven, future ready domains.

Looking ahead, the Group remains vigilant and cautious, closely monitoring developments and proactively managing risks. L&T's strong balance sheet, diversified portfolio and broad geographic presence provide resilience, enabling it to respond tactically while continuing to capture emerging opportunities.

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

Urbanisation and Demographic



- High-rise Buildings (B&F)
- Multi-modal Transportation Network (TI, HCI)
- High-capacity Utility Networks (PT&D, WET)
- Construction Metals (M&M)

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

Energy Security & Transition

- Hydrocarbon (Onshore, Offshore)
- Thermal (CarbonLite)
- Green Hydrogen (GE)
- Renewables – Solar, Energy Storage, Wind (RENU, HCI, OW)
- Green buildings (B&F)
- Clean Fuels (HE)
- Water Recycling and Reuse Solutions (WET)



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



Mobility Growth



- Mass Rapid Transit Systems (TI, HCI)
- World-class Airports (B&F, TI)
- Electric, Autonomous and Connected Systems (LTTS)
- Expressways and Road-cum-Rail Networks (TI)

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

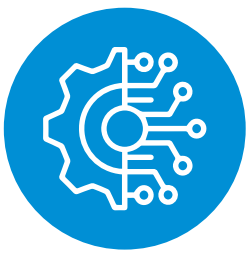
Societal Challenge

- Water and Sewage Treatment Systems (WET)
- Housing (B&F, LTR)
- Energy-Efficient Power Systems and Microgrids (PT&D)
- Financial Services (LTF)



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

Technology Transformation



- AI-led growth , AR/VR, Cloud, Cybersecurity (LTM, LTTS)
- Automation, Industry 4.0, Digital Engineering (LTM, LTTS)
- Chip design (LTSCT)
- IP-led Product Platforms (PES - Electronics Products & Systems)
- Data Storage and Computing (Larsen & Toubro Vyoma)
- Platforms (L&T-SuFin, L&T EduTech)

Technology and services offerings to transform businesses across various domains

B&F	Buildings & Factories	RE	Renewables
HCI	Heavy Civil Infra	M&M	Minerals & Metals
HE	Heavy Engineering	TI	Transportation Infrastructure
GE	Green & Clean Energy	OW	Offshore Wind
LTM	LTM Limited	WET	Water & Effluent Treatment
LTR	L&T Realty	LTSCT	L&T Semiconductor Technologies
LTTS	L&T Technology Services	PES	Precision Engineering and Systems
PT&D	Power Transmission & Distribution		

D. Strategy Formulation – Lakshya 2031

Business strategy formulation aims to set long-term goals for the Group and identify areas to leverage its strengths, explore new business opportunities and enhance its existing capabilities and offerings. This is enabled through an integrated planning framework with two distinct time horizons: a medium-term Strategic Plan (5 years) and short-term (annual) budgets.

L&T commenced work on the formulation of the next five year plan, Lakshya 2031 (FY27–FY31), nearly a year ago. This early start ensures strategic continuity, sharper portfolio choices and preparedness for the next phase of enterprise growth.

Strategic Objectives for Lakshya 2031

i. **Existing businesses:**
   - **Continue momentum in EPC and Manufacturing** with improved profitability
   - Geographical diversification pursued selectively within the EPC portfolio
   - **Pivot to AI-led operating model** for LTM, LTTS
   - Drive accelerated growth in Financial Services and Realty businesses

ii. **New businesses** (Green Hydrogen / Ammonia, Offshore/Onshore Wind, SuFin, Semiconductor, Industrial Electronics, Larsen & Toubro Vyoma): to be positioned as **the growth engines for 2030s** while providing opportunity for selective value unlocking

iii. **Technology**
   - Strengthen / 'own' domain technology to improve customer retention and value addition
   - Extensive use of digital and AI for operational efficiency

iv. Increase shareholder value through improved profitability and return on capital deployed

These strategic objectives are supported through strategic enablers for sustainable and profitable growth

i. **Leadership:** Ensure development of strong leadership pipeline across businesses, projects and functions

ii. **Workforce Productivity & Project Execution:** Programmatic approach for 2X improvement in workforce productivity and faster project execution

iii. **Safety:** Implement standardised methodologies, improve accountability mechanism and ingrain **KNOW HARM** culture

iv. **Supply Chain:** Build agility, resilience and competitiveness through diversified sourcing and digital integration

v. **ESG:** Ensure that we remain on track for achievement of our neutrality goals for Water (2035) and Carbon (2040)

E. Business Model

Value creation in L&T is enabled through a portfolio comprising:

#	Market Segments	L&T Portfolio
1	**Infrastructure & Utilities**	L&T Infrastructure & Utilities continues to leverage its established strengths in conceptualising, designing, executing and commissioning large and complex projects. The business spans Buildings & Factories, Transportation Infrastructure, Heavy Civil works, Power Transmission & Distribution, Water & Effluent Treatment, and Minerals & Metals, supported by strong project management and execution capabilities.
2	**Energy - Conventional**	L&T Energy - Conventional is structured across Hydrocarbon - Onshore & Offshore, and CarbonLite Solutions businesses to drive focused execution, deepen domain expertise and enhance operational specialisation. This structure enables efficient delivery of complex projects.
3	**Energy - Green**	This business segment will address emerging opportunities in renewable energy (RE) infrastructure, including solar, onshore and offshore wind. The business leverages L&T's engineering, procurement and project execution capabilities to support the global transition towards clean and sustainable energy systems.
4	**Manufacturing & Products**	The Manufacturing and Products segment focuses on custom designed and engineered equipment for process industries (including nuclear), Precision Engineering and Systems for defence and aerospace, Construction Equipment & Industrial Products Design and Development, and Electronics Products and Systems. The business serves diverse, high-value sectors, building on strong in house design, engineering and manufacturing capabilities.
5	**Technology, Platforms & Services**	Technology, Platforms and Services address high growth digital and advanced technology segments, encompassing IT services (LTM), Engineering R&D (LTTS), B2B e-commerce (L&T-SuFin), skilling and assessment (L&T EduTech), data center and cloud services (Larsen & Toubro Vyoma), and semiconductor chip design (L&T Semiconductor Technologies Limited). These platforms strengthen L&T's digital ecosystem, enable technology led value creation and support long-term growth across industries.
6	**Financial Services**	L&T Finance Limited (LTF) represents the Group's financial services arm, offering a diversified portfolio of retail lending products. The business advances financial inclusion while delivering technology enabled financial solutions aligned with long-term value creation.
7	**Realty**	L&T Realty is engaged in the development of residential and commercial real estate projects, anchored on strong and rapid project execution, design excellence, high product quality with a customer-first approach.
8	**Development Projects**	Development Projects segment will focus on the production of green hydrogen and its derivatives.

Risk Management Framework

L&T is a diversified conglomerate with operations spanning multiple geographies and industry sectors, including engineering, construction, manufacturing, technology, financial services and real estate. Consequently, the Company deals with a wide range of risks. Taking informed, well-considered risks is an inherent and necessary part of its business. The Company's Enterprise Risk Management (ERM) framework identifies, assesses and mitigates existing and potential risks.

The Chief Risk Officer, Risk teams both at the Group level and at individual businesses, implement the ERM processes and apprise the Board Risk Management Committee and the Apex Risk Management Committee of identified risks and the corresponding mitigation measures.

The ERM framework focuses on **Operational Risks**, **Tactical Risks** and **Strategic Risks**.

Operational Risks

L&T executes a large number of infrastructure and manufacturing projects across geographies, many of which extend over long execution periods. The selection of projects is done after a detailed assessment of risks relating to country exposure, client profile, contract structures, design, execution methodology, and commercial, financial and legal terms through established internal approval mechanisms. Leveraging its experience across engineering and construction, and adopting a methodical approach to risk management, forms the core of the Company's execution philosophy.

In FY 2025-26, the risk environment witnessed greater unpredictability due to geopolitical tensions in key markets such as West Asia and India. Consequently, the ability to anticipate, respond to and recover from such situations has become a central element of risk management at the Company. L&T follows a structured approach to risk governance, anchored in a robust framework that enables a connection between corporate and project teams, enabling swift decision-making, coordinated responses and continuity under adverse conditions.

The Company's key operational risks include the following:

Project Execution

L&T's projects are often large-scale, complex and technologically challenging, involving multiple stakeholders and location-related constraints. To enable project execution within timelines, cost budgets, high safety standards and in a sustainable manner, a thorough risk assessment is conducted at the pre-bid stage and risk is monitored during the execution and completion stages. Some of the risks that commonly arise include access and right of way (RoW)-related issues, geological challenges, delays in regulatory approvals, design changes, interface risks and workforce shortages.

The Company mitigates these risks through careful selection of clients and geographies, leveraging advanced project management techniques, innovative construction methodologies, digitalisation and partnership with competent suppliers and subcontractors.

Quality and Safety

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

L&T is committed to continuously enhancing health and safety standards across the organisation for workers and subcontractors at project sites and premises. This includes empowerment of safety personnel, continuous training and sensitisation, toolbox talks, provision of protective gear, and specialised training in the safe handling of equipment and materials for workmen. The Company adheres to international standards and guidelines such as ISO 45001:2018.

Supply Chain

Supply chain reliability is a critical determinant of project execution, especially for projects involving global sourcing of materials. Disruptions arising from tariff uncertainty, geopolitical issues, port congestion, airspace restrictions and changes to global shipping routes have increased the risk of delays in material deliveries, escalation in logistics costs and the possibility of extended project timelines.

L&T has adopted a multi-pronged approach focused on diversification, resilience and end-to-end visibility across the supply chain. This includes broad-basing the vendor ecosystem across geographies, increasing localisation of procurement in key markets and developing strategic partnerships with critical suppliers. Emphasis on timely procurement of long-lead items, the use of digital tracking tools and incorporation of flexible logistics strategies, including alternate shipping routes and multimodal transport, helps achieve timely project completion. These measures ensure execution continuity and largely mitigate the impact of external disruptions.

Commodity Price

For infrastructure projects, steel, cement, aluminium, copper constitute a significant proportion of total input costs. Accordingly, appropriately calibrated assumptions related to commodity-linked costs are factored in at the bidding stage, with suitable benchmarks selected wherever project terms permit. For contracts with price variation clauses, suitable indices are adopted to mitigate price risks. In FY 2025-26, base and ferrous metal prices were volatile, driven by supply constraints, higher energy costs and trade policy-driven tariff changes. The risk of margin compression arising from input cost escalation in fixed-price contracts is mitigated in part by locking in prices with suppliers wherever possible and adopting an active commodity hedging strategy using derivatives and forward contracts, where available.

Legal and Contractual

Due to complex long duration projects which have interface risks, delays due to regulatory or RoW approvals or ambiguous contractual terms, disagreements may occur. The Company proactively negotiates the contractual terms and engages experts for risk assessment to minimise legal and contractual risks. For global businesses, appropriate legal jurisdictions are reviewed to deal with legal risks. Further, L&T endeavours to limit its total contractual liability on any project to an acceptable level. Lastly, the Company also endeavours to ensure that projects have defined force majeure conditions which address tail risks in exceptional situations.

Cybersecurity

Cybersecurity is a critical risk for the Company, given the scale of the Group's operations in terms of projects, offices, companies, people, customer interfaces involving multiple stakeholders, geographies and systems. L&T focuses on protecting its operations against threats such as ransomware attacks, phishing, data breaches and potential disruption of project-critical IT systems. The frequency and sophistication of attempted intrusions globally have increased, necessitating heightened vigilance. The measures adopted in detail have been explained under 'Digital Transformation, Artificial Intelligence and Information Technology' section of the Integrated Annual Report.

Manufacturing Operations

L&T's manufacturing and fabrication facilities are critical to delivering high-quality engineered products and ensuring timely project execution. These facilities are subject to risks related to industrial relations, supply chain, natural disasters, regulatory compliance and energy costs. The Company implements robust safety and sustainability protocols and maintains contingency plans to mitigate the impact of natural disasters, environmental events, or localised socio-political disruptions. Technology upgrades and digitalisation initiatives are being leveraged to optimise throughput and efficiency across all manufacturing locations.

Industrial Relations

L&T has established structured mechanisms to monitor and manage industrial relations risks to ensure minimal disruption to operations. Harmonious labour relations are an important factor at L&T's manufacturing locations and project sites. Timely payment of wages, ensuring safe working conditions, suitable camp facilities and incentives for long service minimise incidences of worksite disruptions, productivity losses and schedule slippages. In certain international locations, cultural sensitivities, local labour regulations and regional undercurrents may amplify this risk. Such disruptions not only impact project timelines and costs but may also lead to reputational and contractual implications if not managed proactively.

Uniform implementation of the New Labour Codes by the industry is important given the worker-intensive EPC operations spanning large, multi-state project sites. Changes relating to wages, social security, working hours and contractor compliance may lead to higher labour costs, increased compliance and ambiguities during the initial phase of implementation. Recognising this, L&T has proactively initiated measures to adopt these practices.

Climate Change

Climate change has increased the frequency and intensity of physical risks, resulting in unforeseen execution challenges. These risks manifest as acute events such as floods, cyclone, heatwaves, air pollution related restrictions (like graded response action plan or GRAP), landslides and glacial lake outburst floods (GLOF), which can create safety concerns and impact project timelines.

To mitigate the impact of such events, L&T implements a range of preventive and responsive measures, including optimisation of the work-rest cycle, deployment of early warning systems, provision of shelters for the workforce and conducting awareness sessions and advisories. These measures sensitise the workforce to potential risks, strengthening issue reporting, and ensure the timely adoption of safety and preventive measures.

Extraordinary Disruption Events

L&T has a crisis management framework to respond to challenging situations including natural calamities, geopolitical upheaval, local unrest, war, terrorist attacks and other emergency situations, with a focus on ensuring the safety and security of its employees, workforce, assets and operations globally.

Under the extant framework, the oversight committee includes senior leadership of the Company which ensures the objectives of safety of workforce and families, safety of its assets and continuity of business. This forward-looking approach enables swift activation of response protocols, ensuring continuity of operations and swift information flow.

Strategic and Tactical Risks

Economic

L&T's core EPC business is closely linked to infrastructure investments by governments and capital expenditure by private and public sector entities. Economic slowdowns, budget constraints, financial crises, balance sheet pressures or shifts in priorities can lead to delays or cancellations of major projects. Additionally, periods of high inflation and rising interest rates can constrain capital expenditure, affecting the Company's order inflows.

Region and Country

L&T has significant presence in West Asia through its Hydrocarbon, Power Transmission & Distribution (T&D), Renewables and core urban infrastructure businesses. Furthermore, recent ventures into new regions like Europe present opportunities and risks which are assessed and managed. L&T mitigates such geographical risks through comprehensive country risk assessments during the bidding stage, diversification of business lines across geographies, and working with government, public sector and private clients with proven creditworthiness and good standing.

L&T closely monitors geopolitical developments and incorporates risk mitigation strategies such as contract structuring, hedging mechanisms and contingency planning to safeguard profitability and financial exposure.

Workforce and Talent Management

L&T develops workforce and talent through a blend of internal capability building, local talent integration, robust HR processes and a culture of continuous learning. L&T invests in upskilling programmes and leadership development to retain talent and bridge skill gaps. The Company also has a succession planning framework for ensuring smooth leadership transitions.

The Company provides training to thousands of young people each year at its 11 Construction Skill Training Institutes (CSTIs) and its 5 sub-centres. Further, L&T has developed a Central Workmen Mobilisation Cell to centrally collate workmen requirements and coordinate with sourcing centres to deploy workmen where needed.

Climate and Energy Transition

The ongoing structural shift from hydrocarbons to RE represents a significant opportunity but is a material transition risk for L&T's hydrocarbon business.

This shift impacts businesses at the operational level by increasing the demand for green specifications in tenders, building codes and other regulatory frameworks. It also presents EPC opportunities across solar and wind power, offshore wind, pumped hydro storage, battery storage, hydroelectric and nuclear power projects, as well as manufacturing of equipment and systems in sectors such as green hydrogen and electrolysers. Additionally, there is the possibility of increased opportunities in T&D due to the need for grid reconfiguration and evacuation requirements for RE sources.

Bank Credit Facilities

Construction projects require issuance of bank guarantees to clients during the project tenure, and in certain instances beyond project completion. L&T ensures the adequacy of non-funded credit lines – including facilities for bank guarantees, letters of credit, foreign exchange and commodity hedging, as well as funded facilities from financial institutions to meet its financial obligations.

Sanctions and Regulatory Compliance

L&T ensures adherence to sanctions compliance and monitors sanctions related developments of United States of America, European Union, United Kingdom, United Nations and other sanctioning or regulatory bodies. Laws and regulations governing sanctions, trade restrictions are complex and are subject to change. It has a robust internal control framework and robust processes to carry out due diligence of counterparties including clients, vendors, subcontractors, logistic firms, countries and individuals. L&T complies with regulatory requirements in all countries where it operates.

Artificial Intelligence

The rapid proliferation of Generative AI and Agentic AI platforms presents a risk and opportunity to L&T's

businesses and to group companies like LTM and LTTS. As clients increasingly automate application development, software testing and engineering R&D workflows, the businesses need to evolve to the new requirements.

For L&T's financial services business, the proliferation of AI-powered credit underwriting, risk scoring and collections platforms is increasing across the industry. These developments will enable competitive differentiation, and the business is pursuing initiatives to develop proprietary capabilities in loan book portfolio management and credit underwriting.

Investment Risk

L&T has invested and continues to invest in emerging sectors. Investments are continually evaluated and in line with Company's Lakshya plan, businesses are seeded, sustained / divested. New investments are directed towards growth opportunities, some of which involve longer gestation periods. The pursuit of adequate returns on existing and new investments is a guiding principle of the Lakshya plan.

Subsidiaries' Performance

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

Competition and Pricing Pressure

L&T faces competition from domestic players in India and international firms abroad. Competitive bidding, particularly in government tenders, exerts pressure on margins, and aggressive pricing strategies by competitors can impact L&T's ability to secure projects. L&T has robust processes to evaluate and take on new business after considering these factors.

Financial Risks

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

In CY 2026, the global economy is navigating the aftermath of trade disruptions. The moot point is whether the structural shifts in global trade architecture, particularly the reconfiguration of US-China trade flows and the re-shoring of supply chains, will stabilise or deepen. Global real GDP growth in 2026 is expected to remain subdued, likely around 3.0%, as the lagged effects of tighter financial conditions, reduced trade intensity and compressed corporate margins continue to manifest.

The US economy faces the dual challenge of managing residual inflationary pressures from tariff pass-throughs while supporting a labour market showing signs of softening. At the same time, elevated AI-led capital expenditure and rapid adoption across industries are beginning to support productivity gains, offering a partial offset to cyclical growth headwinds. The Federal Reserve's path remains data-dependent, with the possibility of further rate adjustments depending on inflation and employment trajectories. Fiscal sustainability concerns have also come into sharper focus, with elevated deficit levels and debt servicing costs constraining the government's capacity for counter-cyclical support.

The US-China trade relationship remains a critical fault line. While bilateral negotiations are ongoing, significant tariffs remain in place and technology sector decoupling continues to accelerate. For other trading partners, export-dependent economies — particularly in Southeast Asia and emerging markets — face ongoing uncertainty around market access and supply chain realignment.

In Europe, the structural shift towards defence autonomy has gathered momentum, with NATO member states accelerating military expenditure commitments. While this provides a fiscal stimulus effect in select economies, traditional industrial sectors — including automotive, chemicals and heavy manufacturing — continue to face structural headwinds from elevated energy costs and competitive pressure from lower-cost producers. The European Central Bank is expected to maintain an accommodative stance, though the pace of easing will be calibrated against persistent core inflation in services.

The Chinese economy has entered 2026 with the continuation of a supportive policy framework, including targeted fiscal stimulus, monetary easing and measures to stabilise the property sector and boost domestic consumption. Notwithstanding these efforts, real GDP growth is projected to remain below 4.5%, constrained by weak external demand, demographic pressures and ongoing credit risks in the financial system. The property sector remains a significant source of systemic risk.

The conflict in West Asia has introduced significant supply-side risks to global energy markets, keeping prices elevated relative to prior years. The conflict introduces a complex risk calculus: it has heightened security risks, disrupted regional trade corridors and created uncertainty around the pace of FDI inflows — particularly into non-oil sectors such as tourism, logistics and financial services. Insurance and shipping costs for regional trade routes have risen from the baseline level, with knock-on effects on supply chain costs across the broader West and South Asia corridor. The region may bounce back quickly, through commitment to economic diversification, clean energy, industrialisation strategies and renewed capex.

In India, real GDP growth for FY 2026-27 is projected at approximately 6.9% based on robust domestic consumption and continued public capital expenditure, even as global headwinds moderate external demand. The Union Budget is expected to maintain fiscal discipline, targeting a deficit of around 4.3% of GDP, while sustaining infrastructure-led growth initiatives. The RBI is expected to manage monetary policy with a focus on anchoring inflation, which is projected to average 4.6% for FY 2026-27. Rupee volatility and capital flow dynamics remain key risks to monitor in periods of heightened global market uncertainty.

Foreign Exchange and Commodity Price Risks

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

The disclosure of commodity exposures as required under Clause 9(n) of Part C, Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the format specified vide Chapter VI-E of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 is given below:

Sr No	Commodity Name	Exposure in INR towards the particular commodity (₹ crore)	Exposure in Quantity terms towards the particular commodity (Tn)	% of such exposure hedged through commodity derivatives				
				Domestic market		International market		Total
				OTC	Exchange	OTC	Exchange	
1	Aluminium - Buy	4,652	1,60,702	-	-	92.51	-	92.51
2	Aluminium - Sell	(10)	(440)	-	-	100.00	-	100.00
3	Copper - Buy	6,538	60,740	-	-	90.09	-	90.09
4	Copper - Sell	(114)	(808)	-	-	100.00	-	100.00
5	Lead - Buy	57	3,049	-	-	92.46	-	92.46
6	Coking coal - Buy	73	35,418	-	-	-	-	-
7	Iron ore - Buy	67	66,900	-	-	100.00	-	100.00
8	Steel - Buy	17,822	28,82,107	-	-	-	-	-
9	Cement - Buy	3,466	59,24,102	-	-	-	-	-
10	Nickel - Buy	764	4,912	-	-	48.13	-	48.13
11	Thermal Coal - Buy	10	7,871	-	-	38.88	-	38.88
	Total exposure	**33,327**	**91,44,553**					

Liquidity and Interest Rate Risks

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

Financial Resources and Capital Allocation

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

In FY 2025-26, the Company supported the capital expenditure required to execute projects through various sources of funds. Going forward, the Company will continue to support requirements for new projects through appropriate financing structures.

The Company remains committed to funding capital needs for its real estate business, including land acquisition and development, and to advancing new business initiatives covering green energy projects – green hydrogen and green ammonia – and the development and expansion of its AI-driven data center footprint. The Company is also investing in semiconductors through a chip-design subsidiary focused on energy, mobility and industrial applications.

Low gearing levels (Gross Debt-to-Equity ratio at 0.16x) at the parent entity level and a healthy cash buffer equip the Company with enough flexibility to deal with normal business uncertainties.

The Company continues to see significant volumes of large-value contracts in West Asia, which necessitate corresponding local non-fund-based banking facilities. The Company is confident of tying up the required facilities during the year to address upcoming requirements.

Internal Controls and Safeguards

Corporate Governance and Framework for Internal Controls

Corporate governance is fundamental to the Company's ability to achieve sustainable growth and predictable outcomes, with a robust internal control framework forming a key pillar of this governance architecture. The Company has established an internal control framework that is commensurate with the nature, scale and complexity of its operations. The framework enables effective alignment of processes with strategic objectives, evolving business requirements, and changing internal and external risk environments. The Company has adopted the globally accepted internal control framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission.

The Board of Directors and Management set the appropriate tone at the top through their actions and directives, reinforcing the importance of integrity and ethical conduct. The Company's Code of Conduct reflects its culture and values and provides guidance to employees for conducting business in a responsible manner.

Suppliers and business partners are required to adhere to a separate Code of Conduct as part of the registration process, aligning them with the Company's commitment to the preservation of ethics and sustainable growth through the integration of Environmental, Social and Governance (ESG) principles. The Whistleblower / Vigil Mechanism enables employees and business partners to report ethical or legal concerns without fear of retaliation or unfair treatment.

Internal Financial Controls

Internal Financial Controls operate at both entity and process levels and are aligned with the requirements of the Companies Act, 2013. The controls are supported by well-defined policies, standard operating procedures, authorisation guidelines and a Corporate Manual on Accounting and Internal Controls, which together provide a consistent framework for governance, financial discipline and operational oversight across businesses.

The executive management is responsible for establishing, operating and continuously strengthening the internal control system, supported by internal control teams at the corporate and business levels. These teams assist in reviewing and upgrading processes, updating policies and procedures, sharing best practices across the organisation, and ensuring that controls remain effective in response to evolving risks and business dynamics.

Audit and Review Mechanisms

The effectiveness of internal controls is monitored through independent assurance mechanisms. The in-house Corporate Audit Services conduct risk-based internal audits covering core business operations, corporate functions and support departments. The annual internal audit plan is reviewed by the Audit Committee. Significant audit observations, if any, along with the status of remedial actions, are presented to the Audit Committee on a quarterly basis.

The assessment of the operating effectiveness of internal financial controls and internal controls over financial reporting is carried out by Corporate Audit Services and the Statutory Auditors, respectively, through appropriate testing procedures. During the year, no reportable material weaknesses in the design or operating effectiveness of internal controls were observed. In addition, the Company periodically engages external assurance firms to review specific businesses and support functions, and their recommendations are incorporated to further strengthen the internal control framework.

The Company's internal control framework is robust and responsive, providing reasonable assurance on the effectiveness and efficiency of operations, reliability of financial reporting, compliance with applicable laws and regulations, and safeguarding of assets.

OVERALL FINANCIAL REVIEW 2025-26

I. L&T CONSOLIDATED

As the economic environment continues to evolve, shaped by geopolitical developments, the Company has delivered a well-rounded performance across its businesses, covering diverse sectors and geographies. The Company remained focused on maximising shareholder value by divesting identified non-core assets, driving operational excellence through digital initiatives to enhance cost competitiveness, strengthening working capital discipline and funds management, and ensuring effective and profitable execution of its robust order book.

During the year, in line with its strategy to exit non-core businesses, the Company entered into a Securities Purchase Agreement (SPA) with Torrent Power Limited for the divestment of its entire stake in Nabha Power Limited (NPL). NPL owns and operates a 2x700 MW supercritical thermal power plant at Rajpura, Punjab. The required regulatory approvals are currently being pursued, and the transaction is expected to be completed in Q1 FY 2026-27.

The Company has executed a Share Purchase Agreement on April 29, 2026 with Hyderabad Metro Rail Limited, a Government of Telangana Enterprise, for disposal of its entire shareholding in L&T Metro Rail (Hyderabad) Limited (L&TMRHL), a subsidiary of the Company. L&TMRHL is a special purpose vehicle (SPV) created to undertake the business of constructing, operating and maintaining a metro rail system, including transit-oriented development (TOD) in Hyderabad.

Further, the Company's technology arm, L&T Technology Services (LTTS) has entered into a business transfer agreement to sell the Smart World & Communication

business. The divestment will enable capital allocation towards 'Engineering Intelligence', which is a high-growth focus area for LTTS.

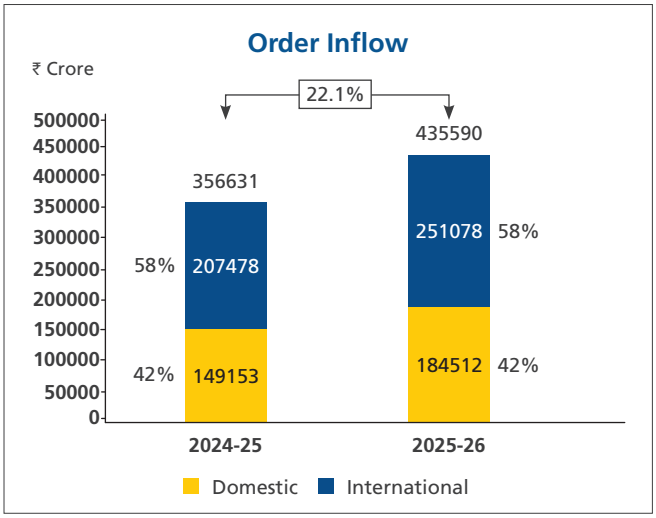
In FY 2025-26, the Company reorganised the Hydrocarbon business into three distinct units, namely the Onshore business, the Offshore business and the Offshore Wind business. Additionally, the financial arm of the Company, L&T Finance Limited, successfully concluded the acquisition of the gold loan business of Paul Merchants Finance Private Limited (PMFPL).

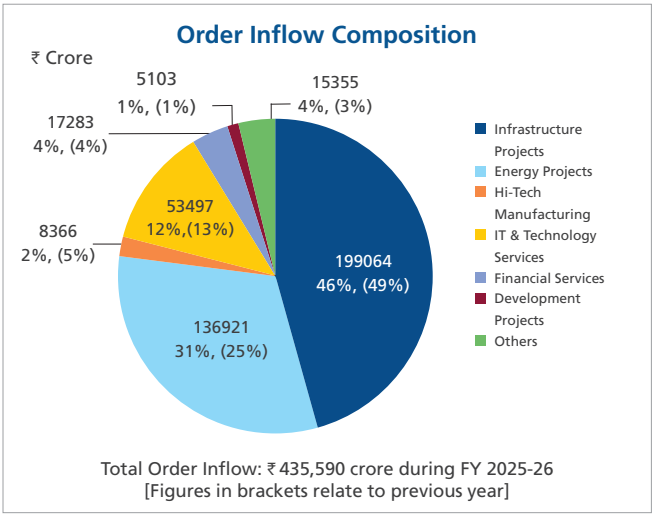
During the year, the Company entered a Scheme of Arrangement for the transfer of its Realty business to its wholly-owned subsidiary, L&T Realty Properties Ltd., by way of a slump sale. The transaction is contingent upon receipt of requisite regulatory approvals. Further, the Company has successfully completed the transfer of its L&T-SuFin e-commerce platform business to its wholly-owned subsidiary, SuFin Limited. The move is part of the Company's strategic restructuring to streamline its operations and house its digital commerce initiatives under a dedicated subsidiary.

In FY 2025-26, the Company's listed subsidiary - LTIMindtree Limited - was rebranded as LTM Limited, reflecting its strategic evolution into an AI centric 'Business Creativity Partner' role that integrates advanced technology with human insight. Further, the Company has consolidated its data center operations under the Larsen & Toubro Vyoma brand (previously operating as L&T-Cloudfiniti). Larsen & Toubro Vyoma extends the Company's core engineering and manufacturing expertise into the digital economy, with a forward-looking approach to data infrastructure that emphasises scalability, security, sustainability and responsible AI.

As at March 31, 2026, the L&T Group comprised 90 subsidiaries, 5 associate companies, 9 joint ventures and 35 jointly held operations. The majority of the Group's entities serve as strategic extensions of the Company's diversified business model, enabling expansion into new geographies, technologies and specialised business segments.

Order Inflow and Order Book



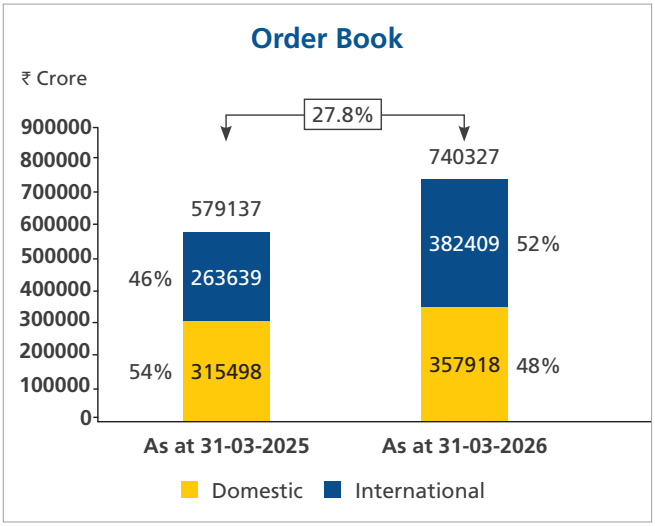


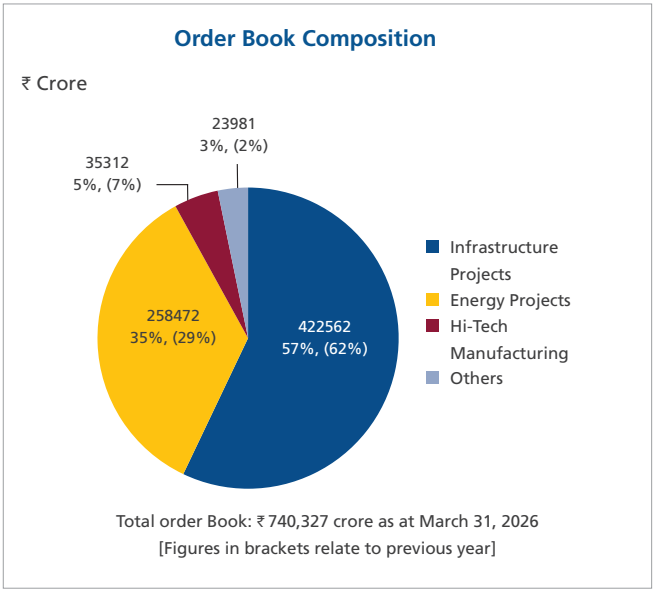
Total Order Inflow: ₹ 435,590 crore during FY 2025-26
[Figures in brackets relate to previous year]

L&T Group achieved record order inflows of ₹ 4,35,590 crore during FY 2025-26, registering a growth of 22.1% over the previous year, the highest in the Company's history. The growth was driven by the strong investment momentum in West Asia, sustained policy-led capex impetus by the Government of India, and an increasing participation of private sector enterprises in the domestic market. The buoyancy in West Asian businesses resulted in international orders accounting for 58% of total order inflows, reflecting a stable geographic mix.

The year witnessed the booking of some noteworthy orders across businesses. The Infrastructure segment received an international High-Speed Rail order under the Heavy Civil Infrastructure unit; multiple RE and transmission projects from West Asia under the Power Transmission & Distribution and Renewables businesses; multiple ultra-mega orders in the Hydrocarbon business across its verticals; and domestic BTG orders within the CarbonLite Solutions business.

The Infrastructure segment continued to be the largest contributor to the Company's business portfolio, accounting for 46% of the overall order inflow, compared with 49% in the previous year.





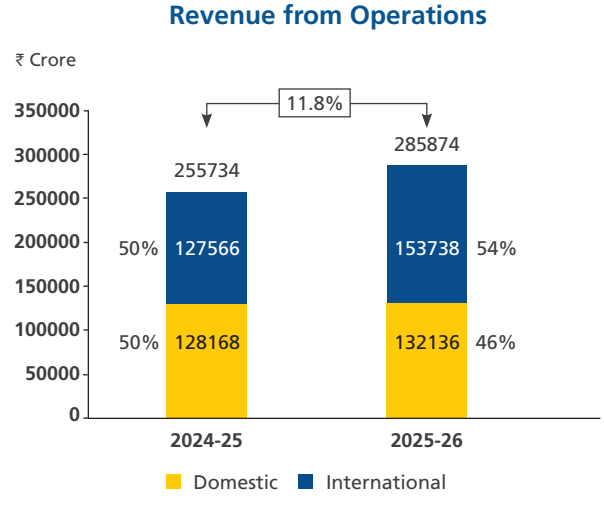
Total order Book: ₹ 740,327 crore as at March 31, 2026
[Figures in brackets relate to previous year]

As at March 31, 2026, the order book is at a record level of ₹ 7,40,327 crore, providing strong multi-year revenue visibility for the Group. The infrastructure segment remained the largest contributor to the consolidated order book, accounting for 57% of the total as at the year-end.

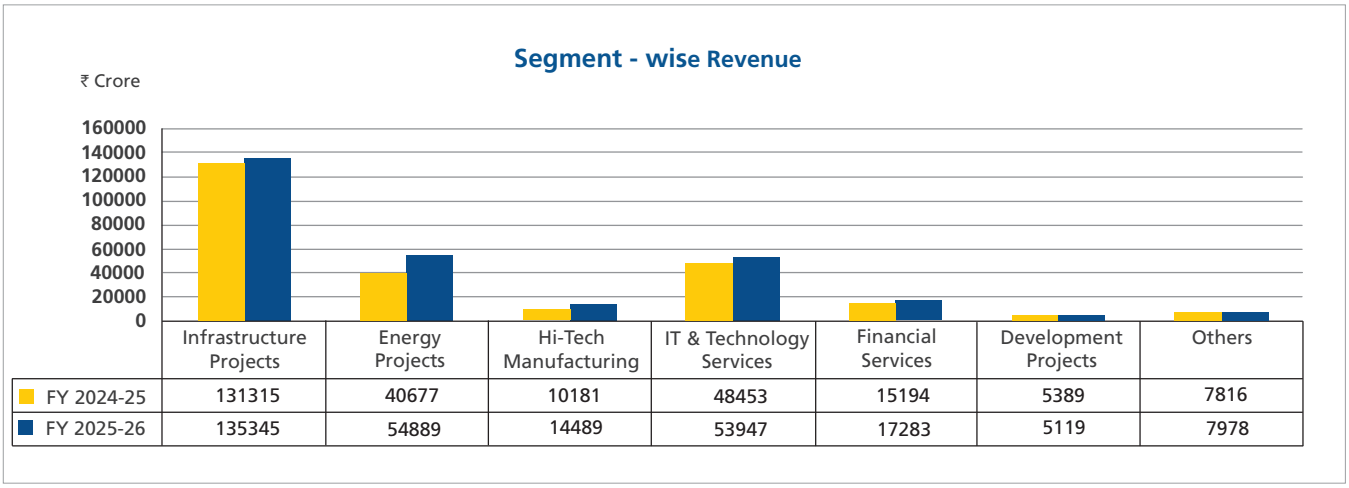
The order book registered a growth of 27.8% on a y-o-y basis, primarily driven by the intake of several high-value orders during the year. As on March 2026, around 61% of the total order book comprised orders received from Government of India, state governments (including local authorities) and public sector enterprises, both domestic and international. The share of the private sector has increased to 39% of the total order book as on March 2026, compared with 28% as on March 2025. Of the domestic order book, 19% of the orders are funded by multilateral agencies.

The share of the international orders in the consolidated order book increased from 46% to 52%, on account of higher international order intake during the year.

Consolidated Revenue from Operations



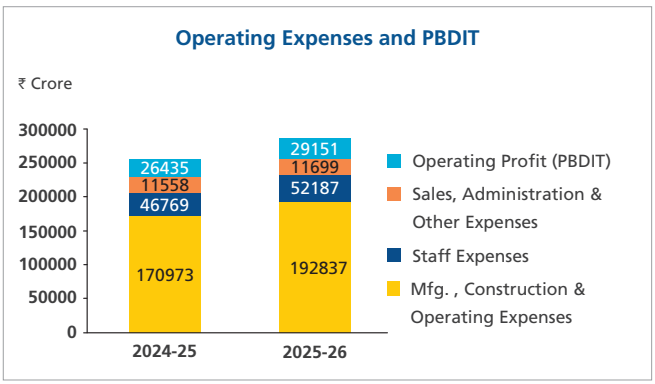
L&T Group recorded revenue of ₹ 2,85,874 crore during FY 2025-26, registering a growth of 11.8% y-o-y. The growth was primarily driven by execution progress across project and manufacturing businesses. The share of international revenue at the Group level increased to 54% in FY 2025-26, compared with 50% in the previous year, reflecting strong execution and order conversion in overseas markets.



	Infrastructure Projects	Energy Projects	Hi-Tech Manufacturing	IT & Technology Services	Financial Services	Development Projects	Others
FY 2024-25	131315	40677	10181	48453	15194	5389	7816
FY 2025-26	135345	54889	14489	53947	17283	5119	7978

During the year, growth was visible across most of the segments. FY 2025-26 revenue growth was driven by strong execution in Energy Projects, IT & Technology Services and Hi-Tech Manufacturing, reflecting improved order conversion and scaling of technology-led businesses. Infrastructure revenue remained stable, Financial Services recorded steady growth, while there was a marginal decline in Development Projects business.

Operating Expenses and PBDIT



Manufacturing, Construction and Operating (MCO) expenses for FY 2025-26 were at ₹ 1,92,837 crore representing an increase of 12.8% over the previous year. These expenses primarily comprise the cost of construction materials, raw materials and components, sub-contracting expenses, and interest costs in the Financial Services business. MCO expenses constituted 67.5% of revenue, compared with 66.9% in the previous year, mainly due to cost pressures in some projects within the portfolio of Project & Manufacturing businesses.

Staff expenses for the year FY 2025-26 were at ₹ 52,187 crore, an increase of 11.6% over the previous year, reflecting a combination of employee additions and salary revisions.

As a percentage of revenue, staff costs remain broadly stable. The Group continues to focus on productivity improvements, digitalisation and manpower optimisation across its businesses.

Sales and administration expenses increased to ₹ 11,699 crore, a modest increase of 1.2% y-o-y. These expenses accounted for 4.1% of revenue, compared with 4.5% in the previous year.

The Group's operating profit for FY 2025-26 increased to ₹ 29,151 crore, registering a growth of 10.3% y-o-y, largely driven by higher business volumes. The EBITDA margin for FY 2025-26 was 10.2%.

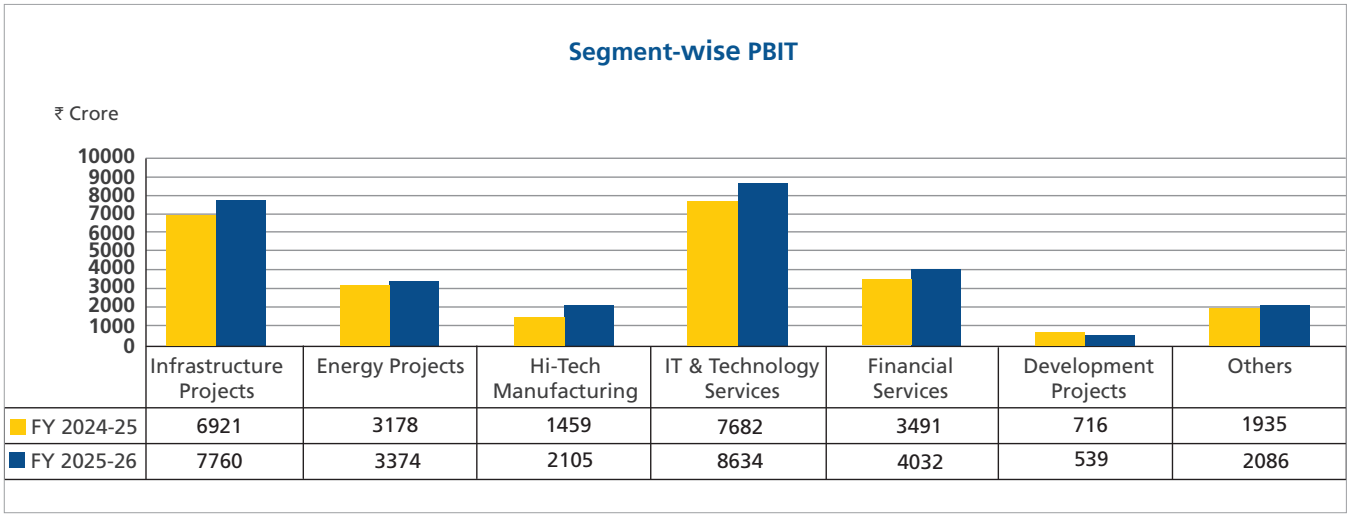
Overall margin performance was impacted by execution-related time and cost pressures in the Infrastructure and Energy segments, including higher provisioning on contract assets and customer receivables. Cost optimisation and execution-related savings achieved in select projects partially mitigated the impact on margins.

Depreciation and Amortisation Charge

Depreciation and amortisation charges for FY 2025-26 increased to ₹ 4,365 crore from ₹ 4,121 crore in the previous year, registering an increase of 5.9%, mainly reflective of higher capital expenditure spend across the Group in recent years.

Profit Before Interest and Tax

Segment-wise composition of PBIT for FY 2025-26 is represented below:



	Infrastructure Projects	Energy Projects	Hi-Tech Manufacturing	IT & Technology Services	Financial Services	Development Projects	Others
FY 2024-25	6921	3178	1459	7682	3491	716	1935
FY 2025-26	7760	3374	2105	8634	4032	539	2086

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

Other Income

Other Income, comprising interest, dividend and other earnings from treasury operations, increased to ₹ 5,761 crore in FY 2025-26, registering a growth of 39.7% over ₹ 4,125 crore in the previous year. The increase was primarily driven by effective treasury management and improved yields on surplus funds.

Finance Cost

The interest expenses for FY 2025-26 declined to ₹ 2,849 crore, registering a reduction of 14.6% compared to ₹ 3,334 crore in the previous year. The decline was supported by lower average borrowing at the Group level, along with a reduction in the borrowing rate. Accordingly, the average interest cost for FY 2025-26 was lower by 20 basis points (bps) as compared to the previous year.

Tax Expense

Income tax charge for FY 2025-26 was at ₹ 6,816 crore, representing an increase of 15.7% over ₹ 5,891 crore in the previous year, due to higher profits and an increase in the effective tax rate.

Exceptional Items

Exceptional items during the year mainly included a one-time impact related to the revision in gratuity liabilities pursuant to the implementation of the New Labour Codes.

In the previous year, Exceptional Item is towards the part reversal of impairment of funded exposure in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF).

Consolidated Profit after Tax and EPS

Consolidated Profit after Tax (PAT) for FY 2025-26 stood at ₹ 16,084 crore, an increase of 7.0% over ₹ 15,037 crore in the previous year. The increase is primarily attributable to improved activity levels and efficient treasury operations.

Consolidated Basic Earnings per Share (EPS) for FY 2025-26 at ₹ 116.93 improved over the previous year at ₹ 109.36.

Return on Consolidated Net Worth

Consolidated Net Worth, as at March 31, 2026, stood at ₹ 1,09,290 crore, reflecting a net increase of ₹ 11,634 crore compared to the position as at March 31, 2025. The Return on Net Worth (RONW) for FY 2025-26 declined to 15.5%, compared to 16.3% in the previous year, primarily due to the one-time impact arising from the revision in gratuity liability due to implementation of the New Labour Codes.

Liquidity and Gearing

Cash flow from Operations (including change in loans and advances towards financing activities) for FY 2025-26 increased to ₹ 16,741 crore as compared to ₹ 9,151 crore in the previous year, supported by healthy execution and efficient working capital management. During the year,

borrowings increased by ₹ 6,609 crore to sustain higher level of operations mainly in Financial Services business and additional funds were generated mainly from treasury and dividend income.

Funds were mainly utilised for surplus investments of ₹ 8,745 crore, capital expenditure of ₹ 4,469 crore and payment of dividend of ₹ 4,676 crore. Further, funds were utilised for net interest payment of ₹ 3,183 crore and investments of ₹ 1,553 crore in subsidiary, associates and joint ventures during FY 2025-26.

Consequently, there was a net increase of ₹ 2,846 crore in the cash balances as at March 31, 2026, compared to the beginning of the financial year.

Consolidated Fund Flow Statement ₹ crore

Particulars	FY 2024-25	FY 2025-26
Operating activities	9151	16741
Additional borrowings (net of repayment)	15203	6609
Treasury and dividend income	2228	3028
ESOP proceeds (net)	9	8
Sources of Funds	**26591**	**26386**
Capital expenditure (net)	3541	4469
Purchase of investments	13701	8745
Net Investment	494	1553
Dividend paid	3850	4676
Interest paid	3609	3182
Payment to minority interest (net)	1196	915
Increase in cash balance	200	2846
Utilisation of Funds	**26591**	**26386**

Total Group borrowings as at March 31, 2026, were lower at ₹ 1,21,683 crore compared to ₹ 1,29,559 crore as at March 31, 2025. The decrease was primarily driven by repayments at the parent level. Further, borrowings related to Hyderabad Metro and Nabha Power have not been considered, as both businesses have been classified as 'Asset(s) Held for Sale'.

At the Group level, the gross debt-to-equity ratio decreased to 0.95:1 as at March 31, 2026, from 1.12:1 as at March 31, 2025. Additionally, the net debt-to-equity ratio decreased to 0.35:1 as at March 31, 2026, from 0.60:1 as at March 31, 2025.

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

In compliance with the requirement of Listing Regulations, the key financial ratios of the Group have been provided hereunder, along with explanations only for significant changes, defined as changes of 25% or more as compared to the previous financial year:

Sr. No.	Particulars	FY 2024-25	FY 2025-26	% Growth
(i)	Gross Debt Equity Ratio	1.12	0.95	15.7%
(ii)	PBDIT as % of net revenue	10.3%	10.2%	-1.4%
(iii)	Net Working Capital % of Sales* (Excluding Financial Services & Corporate)	11.0%	4.1%	62.6%
(iv)	Interest Coverage ratio# (Excludes Financial Services and Finance Lease Activity)	6.75	9.19	36.1%

*The significant change in Net Working Capital % of Sales is on account of receipt of customer advances on award of new orders and higher vendor credit.

#The significant change in the Interest Coverage Ratio for FY 2025-26 has been due to improvement in profits and reduction in average borrowings, primarily at the L&T Standalone level.

II. L&T STANDALONE

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

Brief Summary of Performance at Standalone Level:

Parameters (in ₹ crore)	FY 2024-25	FY 2025-26	% Growth y-o-y
Order Inflow	2,39,336	2,90,574	21%
Share of International Order Inflow	50%	47%	
Revenue	1,42,509	1,53,680	8%
Share of International Revenue	29%	33%	
Order Book	4,70,444	6,13,235	30%
Share of International Order Book	35%	43%	
PBDIT	11,588	12,565	8%
Recurring PAT	10,396	13,130	26%
Exceptional Item*	475	(6,843)	
Overall PAT	10,871	6,287	-42%
Net Worth	71,896	74,533	4%
RONW (%)	15.9%	8.6%	
EPS (in Rs.)	79.06	45.71	

*Exceptional item for FY 2025-26 includes one-time impact of revision in gratuity liability due to New Labour Codes and impairment of investment in LTMRHL. The impact of the same is being reflected in RONW% and EPS for FY 2025-26.

Liquidity and Gearing

Business operations generated cash flows of ₹ 21,928 crore during the year, compared to ₹ 12,703 crore in the previous year. The increase is attributable to improved volumes and better working capital management. The proceeds from treasury income of ₹ 1,723 crore and dividend income from S&A companies at ₹ 3,403 crore have been utilised towards repayment of borrowings (incl. repayment of lease liability) worth ₹ 10,136 crore, purchase of surplus investments of ₹ 4,825 crore and net investment in S&A companies at ₹ 1,151 crore. Further, capex payments of ₹ 1,915 crore, dividend payments of ₹ 4,676 crore and interest payments of ₹ 1,896 crore were also made during the year.

There was a net increase of ₹ 2,464 crore in the cash balances as at March 31, 2026, compared to the beginning of the year.

Fund flow statement ₹ crore

Particulars	FY 2024-25	FY 2025-26
Operating activities	12703	21928
Treasury and dividend income	4237	5127
ESOP Proceeds	9	8
Sources of Funds	**16949**	**27063**
Capital expenditure (net)	2039	1915
Repayment of Borrowings (net of additional borrowings)	680	10136
Purchase of Other investments	7150	4825
Net investment	1391	1151
Dividend paid	3850	4676
Interest paid	2192	1896
Increase / (decrease) in cash balance	(353)	2464
Utilisation of Funds	**16949**	**27063**

Total borrowings as at March 31, 2026, declined to ₹ 11,773 crore, compared to ₹ 21,935 crore in the previous year. The gross debt-to-equity ratio decreased to 0.16:1 as at March 31, 2026, from 0.31:1 as at March 31, 2025. After considering cash and cash equivalents, the Company was in a net debt-free position at the end of the year.

INFRASTRUCTURE PROJECTS SEGMENT

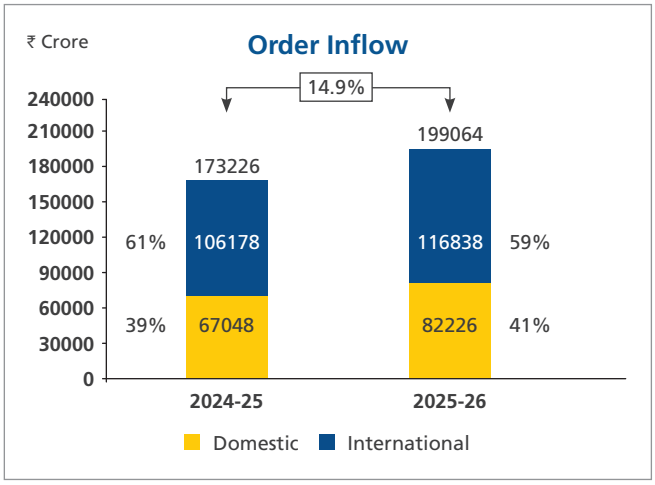


Common Central Secretariat, New Delhi

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

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

Financial performance of the segment



The Infrastructure segment secured orders worth ₹ 1,99,064 crore in FY 2025-26, representing a growth of 14.9% over the previous year, driven by the receipt of multiple orders across various sub-segments. During the current year, the Heavy Civil Infrastructure business registered growth, buoyed by the receipt of an international High-Speed Rail (HSR) order. The Power Transmission & Distribution and Renewables businesses also benefitted from the receipt of multiple international orders for transmission lines,



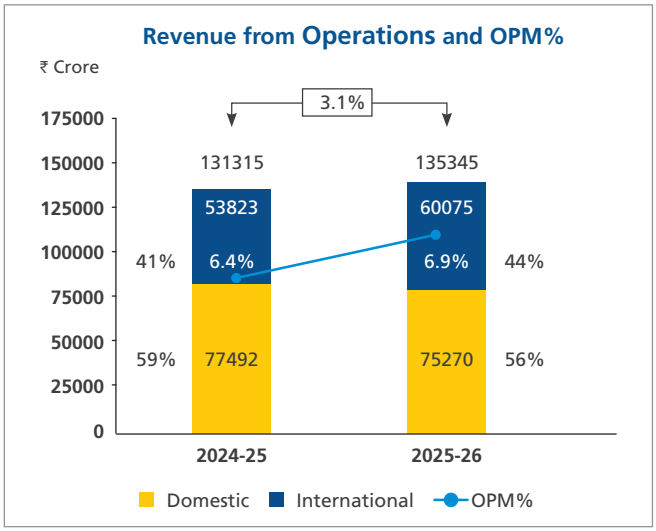
Patna Medical College & Hospital, Bihar

substation orders and RE projects, respectively. Similarly, the Transportation Infrastructure business registered growth over the previous year with receipt of multiple orders for roads, runways and a domestic HSR track package.

The Minerals & Metals business registered moderate growth during FY 2025-26. The Buildings & Factories business registered decline, attributable to a high-base effect, as well as deferment of targeted prospects during the year. The Water & Effluent Treatment business recorded a decline, reflecting selective engagement in the tendering process.

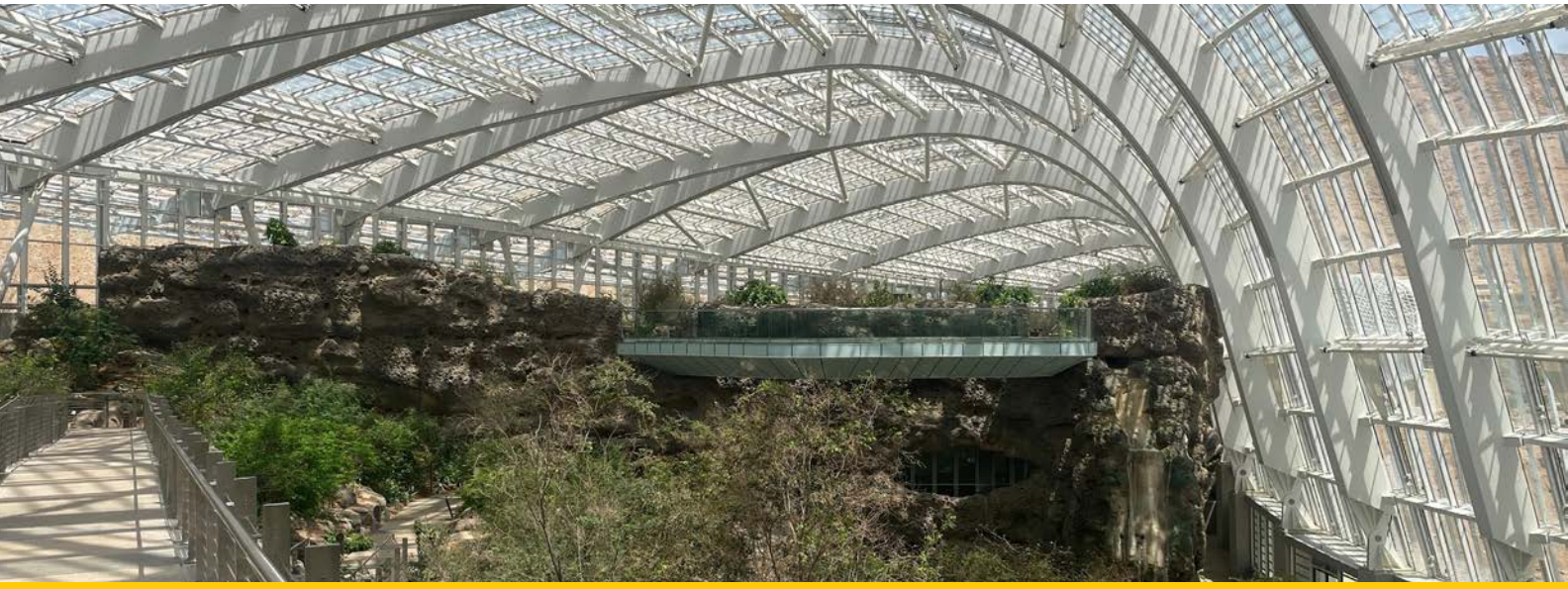
The share of international orders for the Infrastructure segment declined marginally to 59% from 61% in the previous year. However, the share of West Asia in overall international order inflow for the segment increased to 79% compared to 69% in the previous year. The lower share in the previous year was influenced by the receipt of orders in a CIS country, resulting in a comparatively more diversified geographical mix.

The Infrastructure segment registered revenue of ₹ 1,35,345 crore for FY 2025-26, a moderate growth of 3.1% over the previous year. The lower growth was mainly on account of Water & Effluent Treatment business which was impacted by customer project funding constraints leading to procurement delays and workforce deployment challenges. Revenue from international operations constituted 44% of the total revenue for FY 2025-26 compared to 41% in the previous year.



The segment's operating margin for FY 2025-26 marginally improved to 6.9% from 6.4% in the previous year due to execution cost-savings across many sites.

The funds employed by the segment at ₹ 21,814 crore as at March 31, 2026, registered decline of 12.8% vis-à-vis March 31, 2025, mainly on account of favourable movement in working capital.



Oman Botanic Garden, Muscat

Buildings & Factories

Overview

The Buildings & Factories (B&F) business of the Company delivers end-to-end solutions — from concept to commissioning — shaping the built environment and industrial landscape. It continues to lead the sector with proven expertise across a diverse portfolio, including airports, automobile plants, data centers, educational campuses, hospitals, industrial warehouses, IT parks, residential buildings, office towers, manufacturing facilities, retail developments, semiconductor fabrication (FAB) and outsourced semiconductor assembly and test (OSAT) facilities, stadiums, test tracks, and other industrial infrastructure.

The business offers integrated capabilities across the entire value chain, supported by dedicated engineering design centres, robust project management systems, strong procurement practices, and specialised technical services. With a skilled workforce, a reliable vendor ecosystem and a meticulously digitalised project control framework adept at navigating complex challenges, the business has played a pivotal role in delivering iconic structures in India and overseas.

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

Health, Public Spaces & Airports SBG

This SBG consists of the following four businesses:

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

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

The **Airports business** specialises in designing and constructing airport terminal buildings, along with associated service structures. In addition, the business provides integrated airport system solutions, including baggage handling systems, passenger flow monitoring systems, passenger boarding bridges, visual docking guidance systems, air traffic control (ATC) towers, cargo facilities, aircraft hangars, and other essential facilities.

The **Data Center business** executes hyperscale and enterprise data centers with high reliability, scalability and



Mahendra Mohan Choudhury Hospital (MMCH), Kalapahar Campus, Guwahati, Assam

speed. The business specialises in complex mechanical, electrical and plumbing (MEP) systems, including high-density cooling, redundant power systems and advanced fire protection systems.

The **Oman** operations undertake EPC and design-and-build execution projects in that country, primarily across healthcare, hospitality, mixed-use developments, airports, special projects, business parks, and select infrastructure facilities.

Residential, Commercial Buildings & Factories SBG

This SBG consists of the following three businesses:

The **Residential business** is a leading EPC solutions provider across elite, affordable and mass-housing segments. The business has expertise in executing high-rise towers and large-scale residential developments. This business has pioneered the use of precast technology for faster, high quality and efficient construction.

The **Commercial Buildings business** focuses on the delivery of end-to-end solutions for establishing Advanced Technological Facilities (ATFs) including semiconductor FAB and OSAT facilities. It also provides turnkey design-and-build solutions for IT parks, office spaces and commercial buildings.

The **Factories business** undertakes the construction of manufacturing and industrial facilities, offering comprehensive EPC solutions with single-point accountability. The unit serves clients across sectors including automobiles — plants and test tracks, electronics, photovoltaic (PV) manufacturing, glass, pharmaceutical manufacturing, paints, life science products, warehouses, and various categories of fast-moving consumer good (FMCG).

Business Environment

Health

The Indian healthcare sector is undergoing a significant transformation, driven by capacity-led expansion to address the rising demand for quality healthcare infrastructure. To align with global benchmarks, the country requires an estimated addition of two million hospital beds by 2030. Several state governments, including Assam, Odisha, Bihar and Jharkhand, have announced large-scale healthcare infrastructure expansions aimed at improving the bed-to-population ratio.

During the year, major hospital chains announced significant bed addition plans over the next three to five years, with a pronounced focus on the development of specialised cancer care facilities. Furthermore, the increasing role of Corporate Social Responsibility (CSR) in healthcare is reshaping the sector. Leading healthcare institutions have invested in the development of state-of-the-art oncology centres across India.



Bhogapuram International Airport, Andhra Pradesh

Public Spaces

The Public Spaces business unit continues to witness growth, driven by a strong government focus on sports infrastructure, urban renewal, tourism and cultural infrastructure, with its project portfolio reflecting deep experience and proven capability in delivering complex, high-visibility public infrastructure.

Rising investments in capital city infrastructure, convention centres and iconic public landmarks are providing a robust project pipeline. With an increasing emphasis on citizen-centric design and integrated urban development, the business is well positioned to deliver high-impact, design-led infrastructure aligned with India's ambitions, including readiness for global events.

Airports

The airport sector is experiencing sustained expansion, driven by rising air passenger traffic and increasing demand for enhanced connectivity. Development of new greenfield airports and modernisation of existing terminals is accelerating, particularly in Tier II and Tier III cities. Government initiatives and private sector participation continue to support the sector's growth trajectory. An increasing focus on world-class passenger experience, advanced infrastructure and integrated developments such as aerocities, is creating additional opportunities and supporting long-term sector growth.

Data Center

Data centers are emerging as one of the fastest-growing infrastructure segments, driven by a rapid increase in data consumption, proliferation of AI, a structural and sustained shift towards cloud computing and national digital transformation strategies, such as data localisation policies in India under the Digital Personal Data Protection (DPDP) Act, 2023, Saudi Vision 2030 and UAE Centennial 2071.

Increasing investments from global entities, including sovereign wealth funds, together with domestic policy support through special economic zones (SEZs) and tax incentives, are driving infrastructure development in these regions.

Residential

The residential real estate sector continues to demonstrate strong momentum, driven by rapid urbanisation, rising household incomes and sustained demand across mid-income and premium segments. Growth is further supported by infrastructure development, improved connectivity and policy initiatives such as Pradhan Mantri Awas Yojana (PMAY). Market preferences are increasingly shifting towards integrated townships, high-rise developments and better-quality housing. With sustained demand across metropolitan and emerging cities, supported by improving buyer sentiment and developer confidence, the residential sector offers a stable and scalable growth opportunity.



The Prestige City, Bengaluru, Karnataka

Commercial Buildings

Urbanisation, business expansion and increased investments in the technology sector continue to be the key demand drivers for the Commercial Buildings segment.

The IT Parks and Office Buildings segment is witnessing strong momentum, led by the rapid growth of research and development (R&D) centres and Global Capability Centres (GCCs). This is driving demand for Grade A office spaces with a focus on smart technologies, flexibility and sustainability. Government incentives and targeted investments in semiconductor manufacturing are supporting growth in specialised facilities such as fabrication units, cleanrooms and advanced technology-driven infrastructure.

Factories

The factory construction business is experiencing sustained growth, primarily driven by increasing private sector investments. The surge is largely supported by the Government of India's (GoI's) initiatives such as Production-Linked Incentive (PLI) scheme, Make in India, Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME), Pradhan Mantri Mega Integrated Textile Regions and Apparel (PM MITRA), Electronics Manufacturing Cluster (EMC) and the India Semiconductor Mission (ISM), which are aimed at strengthening domestic manufacturing and capacity creation. The PLI scheme has been a key catalyst, providing financial incentives to industries to expand production capacities and accelerate capital investments.

International

The business has adopted a focused approach to bidding in the Gulf Cooperation Council (GCC) and Central Asian markets. Oman continues to be a stable market for the business in the hospitality and health segments.

Major Achievements

Major Orders Won

- Luxury high-rise residential development for multiple developers in Bengaluru, Mumbai and Gurgaon
- Electronics manufacturing plant, Kancheepuram, Tamil Nadu
- Glass manufacturing plant, Gujarat
- IT Park in Bengaluru, Karnataka
- Mixed-use Development for a reputed developer in Mumbai, Maharashtra
- Advait Lok Museum at Omkareshwar, Madhya Pradesh

Key Projects Commissioned

- Allahabad High Court, Uttar Pradesh
- Kartavya Bhavan 1, 2 & 3, Delhi
- Seva Teerth, Delhi
- Max Nanavati Hospital – Phase I, Vile Parle, Mumbai, Maharashtra



State-of-the-art plant for Toyota Kirloskar near Bengaluru, Karnataka

- Mixed-use Development at Muscat Hills
- Oman Botanic Garden
- Test Track at Trichy, Tamil Nadu
- The Prestige City – Aspen, Avalon, Meridian in Bengaluru, Karnataka

Significant Initiatives

The business sustained its strong focus on innovation, sustainability and workforce well-being through several transformative initiatives during the year. A key milestone was the successful delivery of Prefabricated Prefinished Volumetric Construction (PPVC) at the Ayodhya Guest House Project and modular sanitation pods at the Central Secretariat, marking a decisive shift towards modular construction with significant gains in speed, quality and site efficiency.

Sustainability efforts were strengthened through green power adoption across project sites in Maharashtra, alongside structured power purchase agreements in Karnataka and West Bengal, thereby reducing dependence on conventional energy.

Emerging technologies such as three-dimensional (3D) printing were also leveraged, including the successful delivery of 3D-printed luxury villas in Bengaluru.

Workforce welfare continues to remain a priority for the business. Workmen habitats were standardised, featuring improved living conditions, sanitation and utilities, and were implemented across all new projects.

In addition, the business advanced modern construction methodologies through increased adoption of precast systems, modular construction and enhanced Building Information Modelling (BIM). These initiatives were complemented by the deployment of AI-enabled safety systems and digital tools, strengthening execution efficiency, quality and operational control.

Outlook

Health

The healthcare sector continues to see steady investment momentum. Leading private hospital groups have announced expansion plans across Tier I and Tier II cities, while states such as Odisha, Jharkhand, Bihar and Haryana are progressing with speciality hospital developments. The Union Budget 2026-27 has increased allocation under the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) by nearly 4% to ₹ 11,307 crore and proposed the development of five medical tourism hubs, reflecting continued policy support for healthcare infrastructure development.

Public Spaces

The outlook for the Public Spaces segment remains positive with continued government expenditure on urban infrastructure, tourism and sports. Budgetary allocations for the Ministries of Housing and Urban Affairs and Sports have increased by approximately 10% over the previous year, with funding directed towards stadiums, convention centres and integrated urban infrastructure.



Semiconductor FAB Plant, Dholera, Gujarat

Ongoing initiatives in city development, cultural precincts and transit-oriented projects continue to expand the project pipeline. The increasing adoption of EPC and design-build models is shaping project structuring and execution approaches across the segment.

Airports

The domestic airport sector is supported by ongoing capacity expansion and regional connectivity initiatives such as Ude Desh ka Aam Naagrik (UDAN). Development of new airports and modernisation of existing facilities continue under government and private operator programmes. Airport infrastructure projects across regions such as the GCC and the broader Asia-Pacific region are contributing to the sector's overall project pipeline.

Residential

The residential sector is expected to maintain steady growth, with increasing demand for high-rise developments, integrated townships and premium housing. Urban redevelopment and expansion into emerging micro-markets are likely to drive new opportunities. With continued urbanisation and evolving consumer preferences, the sector is poised to remain a stable and scalable contributor to long-term growth.

Commercial Buildings

The Commercial Buildings business is well positioned to capitalise on rising demand under the Semcon India Programme for ATFs, including semiconductor FAB and OSAT projects, by leveraging its strong experience, technical expertise and strategic partnerships to penetrate this niche segment. At the same time, it continues to maintain a strong focus on serving clients across the commercial and retail sectors.

Factories

India's manufacturing sector continues to be supported by policy-led initiatives such as the PLI scheme. Complementary programmes, including the National Policy on Electronics 2019, FAME II, Electronics Manufacturing Cluster (EMC) 2.0 scheme, Electronics Components Manufacturing scheme and BioPharma SHAKTI, support investments across electronics, semiconductors, electric vehicles and pharmaceuticals.

Data Center

The Data Center segment is supported by increasing digital adoption, cloud infrastructure expansion and data localisation requirements. Investments by both domestic and global operators continue across key markets in India and the GCC, supported by the growing integration of AI and digital services. Industry estimates indicate capacity additions of approximately 3 GW in India and 6 GW across GCC countries by 2030, reflecting the scale of planned data center infrastructure development.

International

The business continues to selectively expand in West and Central Asia, with a focus on airports and data centers. In Oman, the business is primarily focused on the airports, hospitality and healthcare sectors.



Kachchi Dargah Bridge Project (over the Ganges), Bihar

Transportation Infrastructure

Overview

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

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

The **RBF Business Group** provides design-and-build EPC construction services. It is further subdivided into the following Business Units; Roads and Runways (R&R), Bridges, High-Speed Rail (HSR) and DFCC.

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

The Bridges business unit undertakes the construction of bridges by employing innovative and advanced bridge construction techniques such as incremental launching, segmental construction, full span construction, cable stay construction, precast and pre-stressed concrete, as well as steel and concrete composite construction.

The HSR business unit undertakes the civil construction of HSR, Semi HSR and Rapid Rail Transit Systems.

The DFCC business unit provides construction services for railway civil works in dedicated freight corridors.

The **RBG** is further subdivided into the Mainline Business Unit (MLBU), Metro Business Unit (MTBU) and International Business Unit (IBU). The MLBU undertakes EPC works in the domains of trackwork, electrification and systems integration, including signalling and telecommunication, for all mainline railway projects, trackwork, dedicated freight corridors and rail links to ports, mining and power plant facilities. The MTBU carries out EPC works that require ballastless trackwork, electrification and systems integration for mass rapid transit systems, regional rapid transit systems and semi high-speed and HSR projects in India.

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



Ganga Expressway (MGEP), connecting Meerut to Prayagraj, Uttar Pradesh

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

Business Environment

Roads, Bridges & Formations

The Ministry of Road Transport and Highways (MoRTH) has set a target to construct 1,85,000 km of national highways by 2030. The government continues to prioritise highway development and capital-recycling to support infrastructure growth. The National Highways Authority of India (NHAI) has identified 124 national highway projects spanning approximately 6,376 km for award in FY 2025-26, with an estimated outlay of ₹ 3.45 lakh crore, largely driven by projects under the Hybrid Annuity Model (HAM), reflecting a balanced risk-sharing approach.

Under the first phase of the National Monetisation Plan (NMP-I), NHAI mobilised approximately ₹ 1.20 lakh crore during financial years 2022-25, achieving close to 74% of the road sector target, with cumulative monetisation since FY 2018-19 reaching about ₹ 1.4 lakh crore. Building on this progress, the government has announced the second phase of the National Monetisation Plan (NMP-II) under which highway asset monetisation is targeted at ₹ 4.42 lakh crore over financial years 2026-30, representing over 26% of the overall monetisation target. This enhanced focus on monetisation is expected to support capital-recycling, strengthen funding sustainability and enable continued investment in highway infrastructure.

Railways Business Group

The railway sector has demonstrated continued momentum in recent years, supported by sustained investments in infrastructure creation and the adoption of modern construction methodologies. Sectoral activity has expanded across key segments including capacity augmentation, network strengthening, station redevelopment and HSR, reflecting the government's ongoing emphasis on modernisation of the rail ecosystem.

A key highlight of the Union Budget 2026-27 is the strong push towards new HSR connectivity as growth enablers, aimed at strengthening regional economic clusters and supporting high-productivity mobility.

Indian Railways has undertaken several initiatives to modernise rolling stock, improve passenger amenities and enhance service quality. Parallel efforts are also under way to increase average train speeds and improve operational efficiency across the network.

Looking ahead, the sector's outlook continues to remain positive, supported by the implementation of large ongoing projects and the announcement of new investments. The railway sector is expected to attract increased capital, play a critical role in economic development and contribute significantly to employment generation.



Second Iswar Gupta Setu project, extradosed bridge over the Hooghly River connecting Kalyani and Bansberia in West Bengal

Major Achievements

Major Orders Won

- T1-Track Works Package – Mumbai-Ahmedabad HSR, Mumbai-Vapi (157 RKM)
- Roads and Transport Authority (UAE) – Improvement of Latifa Bint Hamdan Street, Phase 1
- Hyderabad Greenfield Radial Road, Phase 2
- Muri Ganga Bridge Project, West Bengal
- PSI, Traction, E&M: Mumbai Metro Rail Line 4&4A | Wadala-Kasarvadavali Gaimukh (24 KM)
- Saraighat Rail-cum-Road Bridge, Guwahati, Assam

Projects Completed / Commissioned

- Madras Peripheral Ring Road Project
- RRTS Delhi-Meerut slab tracks: entire section of mainline 182 TKM completed and in commercial operation
- Western Dedicated Freight Corridor (WDFC) Signalling and Telecommunication - 17 commissioning of Jawaharlal Nehru Port Trust (JNPT) to Vaitarna section (103 km)
- Central Organisation for Railway Electrification (CORE) Package EPC-6 - 1,200 TKM – CORE's largest electrification project (Rajasthan)

Significant Initiatives

- Automated steam curing system to produce track slabs, with digital temperature monitoring and automatic flow control
- Modular formwork for pier table at the Meghalaya-Assam Bridge Project, achieving reduced cycle time
- Remote-controlled vibratory roller – successfully implemented in a mini tandem vibratory roller
- Adoption of next-generation construction methods, including precast plinth track system (patent submitted) and precast cylindrical foundation for Overhead Equipment (OHE) mast
- Minor Bridge General Arrangement (GA) drawing preparation fully automated, enabling a highly efficient workflow and securing RBG's first copyright
- Customised automation module for civil infrastructure design platforms, enabling rapid drawing generation with improved quality and a 75% reduction in preparation effort



Jakarta MRT - Integrated Systems Works - 12.5 tkm, 7 Underground Stations

Outlook

Domestic

Roads, Bridges & Formations (RBF)

The budgetary allocation for MoRTH for 2026-27 stands at ₹ 3.09 lakh crore, reflecting a y-o-y increase of 7.9%. A large portion of the total allocation, approximately ₹ 1.87 lakh crore, has been dedicated to NHAI for capital expenditure on roads and highways, an increase of around 10% compared to the revised estimate of ₹ 1.70 lakh crore for 2025-26.

The roads segment has a potential market size of approximately ₹ 3 lakh crore, while bridges represent a potential market of around ₹ 80,000 crore. These projects are expected to be bid largely by state governments, the central government and private sector participants.

The government has planned urban decongestion through ring road projects, covering approximately 4,000 km over the next five years.

The government is focusing on the development of second airports for capacity expansion in major cities, viz. Chennai, Pune and Bengaluru. In addition, airside capacity expansion is expected at Hyderabad and Nagpur among the major public-private partnership (PPP) airports.

The government has also announced plans to expand the expressway network by approximately 25,000 km over the next five years.

Railways Business Group (RBG)

The National Rail Plan (NRP) outlines a structured roadmap for the development of a future-ready railway network by 2030, with a cumulative capital investment of approximately ₹ 30 lakh crore. In line with this long-term vision, the Union Budget 2026-27 has provided an allocation of ₹ 2.93 lakh crore to Indian Railways. The allocation remains broadly at par with the previous year, reflecting sustained policy support for capacity augmentation, network expansion and modernisation of railway infrastructure.

With the progressive execution of the Mumbai-Ahmedabad HSR corridor, the government has announced seven new HSR corridors in the Union Budget 2026-27, identified as key growth connectors. These corridors are intended to strengthen regional connectivity, enhance mobility efficiency and support economic development.

HSR corridors announced for implementation are (i) Mumbai – Pune , (ii) Pune – Hyderabad, (iii) Hyderabad – Bengaluru, (iv) Hyderabad – Chennai, (v) Chennai – Bengaluru, (vi) Delhi – Varanasi, (vii) Varanasi – Siliguri

Indian Railways has also initiated the upgradation of the existing electrification system to 2x25 kilovolt (kV) traction to facilitate higher operating speeds, increased haulage capacity and improved system efficiency on high-density routes. Upgradation works are currently under way on the Delhi-Mumbai and Delhi-Kolkata corridors, while tendering activities for other identified routes are in progress.



Electrification in Katra-Dharam section of USBRL including Chenab and Anji Khad bridges using Flexible and Rigid OCS, Jammu & Kashmir

In addition to the High-Density Network, other routes across all zonal railways are also planned for upgradation to 2x25 kV traction.

On the safety front, Indian Railways has continued to focus on the implementation of KAVACH – the Automatic Train Protection (ATP) system.

In the freight segment, the Union Budget has announced a new Dedicated Freight Corridor connecting Dankuni in the East to Surat in the West, spanning more than 2,000 km. The proposed corridor is envisaged as a key multimodal freight initiative aimed at improving logistics efficiency and enabling environmentally sustainable freight movement. Collectively, these developments are expected to support sustained activity levels in the railway sector and reinforce long-term growth prospects.

International

RBF

Several mega infrastructure projects are planned across West Asia, with countries such as Saudi Arabia, under Vision 2030, prioritising large-scale investments in infrastructure development, including highways and airports.

RBG

The strategic focus continues to remain on neighbouring geographies, as well as the ASEAN , West Asia and North Africa (MENA) regions, where rail infrastructure development is witnessing increased policy support and investment momentum. These regions offer opportunities across urban transit, intercity rail and HSR segments.

In West Asia, rail and metro infrastructure is receiving renewed policy and investment support. Over the next five years, opportunities are expected to be driven largely by urban transit and intercity rail projects, including HSR, metro and Light Rail Transit (LRT) projects.

In the ASEAN region, several railway and urban rail projects are expected to be developed over the next few years. Following recent increases in infrastructure budgets, governments across the region have outlined ambitious plans to expand urban and intercity rail networks.

The ongoing execution of the rail project in Jakarta is expected to further strengthen the Company's presence in the ASEAN region and enhance its positioning to pursue additional opportunities as the regional rail market continues to evolve.



Kudankulam Nuclear Power Plant (KKNPP) in Tamil Nadu

Heavy Civil Infrastructure

Overview

The Heavy Civil Infrastructure (HCI) business is a market-leading EPC platform with deep execution capabilities across critical civil infrastructure sectors that underpin India's long-term economic growth and development agenda. The business segments include:

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

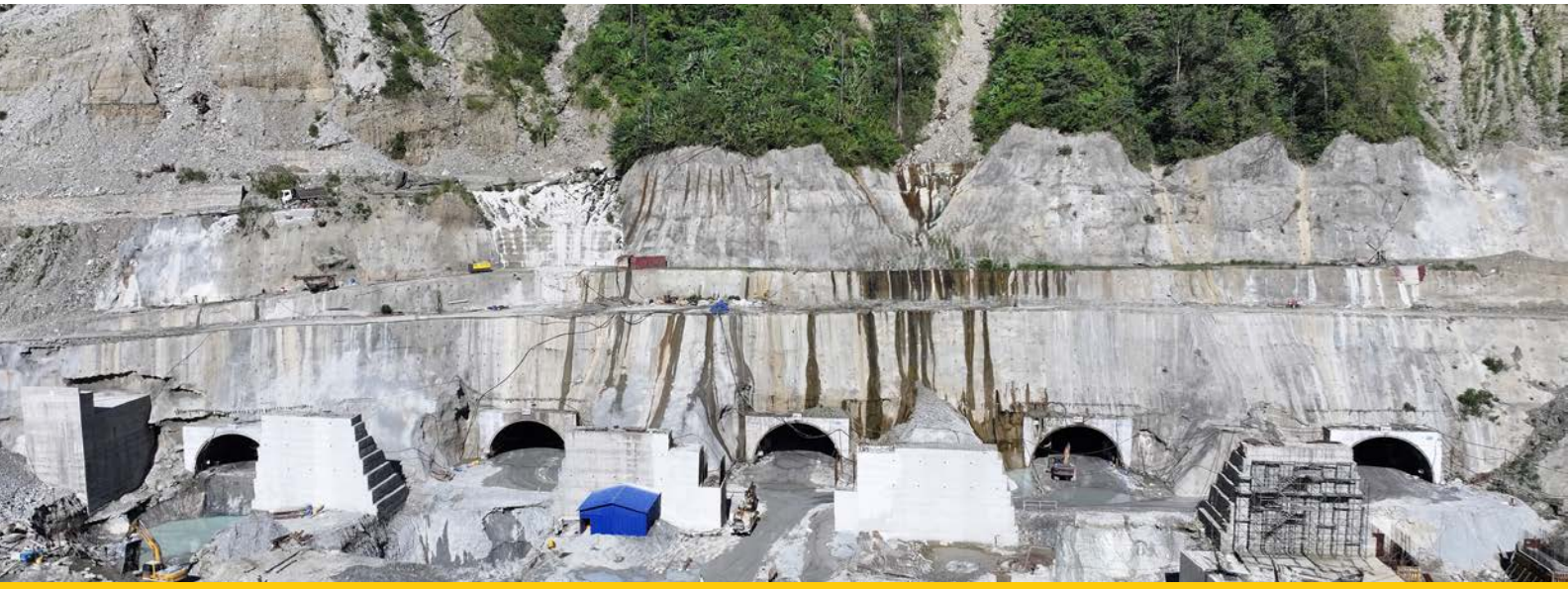
The business has a strong domestic presence and has expanded its footprint in West Asia, undertaking projects of significant scale and technical complexity with the capability to deliver both EPC and turnkey solutions. The domestic market continues to contribute a substantial share of the business' overall revenue.

The business derives its competitive edge due from its dedicated in-house design and technical centres, competency cells, fabrication facilities, specialised training centres supported by a strong resource base comprising a skilled workforce, a deep pool of talented employees, and comprehensive fleet of plant and machinery suited to complex execution requirements.

Metros, HSR & Semi-HSR

L&T's Heavy Civil Infrastructure's urban transit business is a key contributor to the development of modern urban landscapes through the delivery of advanced mass-transit solutions. With expertise in designing, engineering and construction of HSR, semi HSR, metro rail systems, and related infrastructure, the business addresses the growing demand for efficient urban mobility. Operating across challenging terrains and remote locations, its capabilities extend to metro rail projects across multiple countries, reflecting its ability to meet the evolving requirements of modern cities. This depth of experience positions the business as a trusted partner in developing resilient urban transit infrastructure, with a footprint across four geographies and 19 executed and ongoing projects.

In the HSR segment, the business is executing multiple packages on India's first HSR corridor connecting Mumbai to Ahmedabad. A significant portion of the HSR from Vapi to Vadodara has been handed over to the customer for commissioning. Execution in the Maharashtra section continues to progress towards sequential completion and handover. The business is also expanding its international footprint in this segment.



Dibang Multipurpose Project Lot-2, Diversion Tunnel Portal, Arunachal Pradesh

Urban Tunnels

The business executes end-to-end tunnelling solutions for road and highway projects in challenging urban environments, leveraging advanced technologies like New Austrian Tunnelling Method (NATM) and cut-and-cover techniques to ensure high standards of safety and precision. In the Urban Tunnels segment, the business has successfully completed the Mumbai Coastal Road Project and is currently executing the country's largest urban road project (Orange Gate to Marine Drive) in Mumbai. The business has also signed a Memorandum of Understanding (MoU) with the MIT World Peace University to facilitate the training and development of employees working in tunnel projects on rock mechanics, tunnelling and allied excavations.

Hydel & Tunnels

The Hydel segment offers comprehensive turnkey solutions encompassing civil works and hydro-mechanical works for hydroelectric dam, barrages, pumped storage plants (PSPs) and complex irrigation projects. The business is currently executing projects in Madhya Pradesh, Assam, Arunachal Pradesh, Uttarakhand, Jammu & Kashmir, Rajasthan, Sikkim and Bhutan. In the Tunnels segment, tunnelling has been completed for two major rail tunnel packages connecting Rishikesh to Karnaprayag.

Nuclear

The nuclear segment undertakes civil works, mechanical supply and erection activities for nuclear power plants. The business has developed full-scale expertise in the execution of Pressurised Heavy Water Reactors (PHWRs), Light Water Reactors (LWRs) and Natural Draft Cooling Towers (NDCTs). Currently, the business is engaged in executing nuclear power projects and associated facilities across Tamil Nadu, Maharashtra and Madhya Pradesh. The business also executed critical civil and balance of plant packages at the Rajasthan Atomic Power Station (RAPS), including NDCTs and associated cooling water infrastructure.

Ports & Harbours

This segment has extensive expertise in constructing greenfield ports, shipyard structures and seawater intake systems along the country's coastline. It specialises in offering comprehensive construction solutions for various marine infrastructure elements that include breakwaters, berths, jetties, wharves, dry docks and shore protection structures. Currently, the business has a presence in Tamil Nadu, Kerala and Andhra Pradesh, and has successfully delivered a project in Maharashtra.

Defence Infrastructure

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



Gandhi Sagar Pumped Storage Project (PSP) in Madhya Pradesh

L&T GeoStructure

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

Business Environment

The heavy civil infrastructure sector is in a structural upcycle, driven largely by government-led capital expenditure, resilience-focused investments and long-term economic development goals.

Public infrastructure – including roads, rail, utilities, ports and water – continues to outperform private construction, sustained by fiscal support and the implementation of strategic national programmes.

Metros, HSR & Semi-HSR

India adds 10 million urban residents annually, intensifying demand for mass transit. In this context, the metro rail segment is one of the most stable and policy supported infrastructure sub sectors, driven by rapid urbanisation, climate commitments and sustained government funding. India has expanded its metro rail network nearly four times in the last decade, now operational in more than 20 cities, making it the third-largest metro network globally by length. Tier II and Tier III cities (Indore, Bhopal, Agra, Kanpur, Meerut, Patna, Kochi) are now active metro markets, expanding beyond the original Tier I city focus.

HSR and semi HSR are positioned as productivity multipliers. India's rail strategy deliberately prioritises semi HSR for scale and affordability, while HSR remains a technology led pilot with long-term positioning value.

Urban Tunnels

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

Hydel & Tunnels

Hydropower is regaining strategic relevance in India's energy transition, not primarily as a bulk energy source, but as a grid balancing and storage solution. India's installed hydropower capacity stands at 42 GW, with another 15 GW under construction and capacity expected to reach 67 GW by 2031-32.



NATM tunnel MT05 of length 1,480 Rmt, Mumbai-Ahmedabad High-Speed Rail Package C3, Palghar, Maharashtra

The government is taking steps towards increased investments in non-carbon energy sources, including offshore wind, hydel power, nuclear power and pumped storage plants (PSPs). Among these, PSP projects are regarded as a priority energy storage solution to support the achievement of energy transition objectives. The Indian government has introduced a new framework to expedite the development of PSPs. Key aspects of this framework include streamlined approvals, improved site allocation processes and incentives for private sector participation.

The government's prioritisation of mega hydel projects in the north-eastern states and Jammu & Kashmir further signals a favourable medium-term business environment.

Nuclear

Nuclear power in India is shifting from a marginal contributor to a strategic baseload anchor for the electricity grid. The SHANTI (Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India) Act fundamentally reshapes the business environment and overhauls India's nuclear governance by permitting private sector participation in nuclear power generation and introducing a graded liability structure.

Nuclear power capacity is expected to increase from 8,200 MW in 2025 to 22,480 MW by 2032. Under the Viksit Bharat initiative, India has set an ambitious target to achieve 100 GW of nuclear power capacity by 2047.

By 2026-2031, the pipeline consolidates into three clear streams: (i) Fleet mode indigenous PHWRs (700 MW), (ii) Limited imported large reactors (VVER / EPR), (iii) Fast breeder transition and SMR pre deployment

India aims to develop at least five indigenously designed and operational Small Modular Reactors (SMRs) by 2033 under the Nuclear Energy Mission. The country's nuclear development strategy spans multiple technology pathways: (i) Bharat Small Reactors (BSRs) — 220 MW PHWR based systems intended for captive industrial decarbonisation; (ii) SMRs as a reactor class under which indigenous designs are being developed by Bhabha Atomic Research Centre (BARC); and (iii) advanced reactor technologies such as high temperature gas cooled reactors and molten salt reactors.

Ports & Harbours

Ports had moved from being a part of the supporting logistics infrastructure to becoming strategic national assets that are embedded in: (i) Global supply chain realignment, (ii) Export led manufacturing, (iii) Energy transition (green fuels - hydrogen), (iv) Defence, shipbuilding and maritime security.

Nearly 95% of India's trade by volume and 70% by value moves by sea, making ports central to economic strategy.

Defence

In the Union Budget 2026-27, ₹ 7.85 lakh crore has been allocated to the Ministry of Defence, marking a more than



Mumbai-Ahmedabad High-Speed Rail (MAHSR) Project, Bilimora Station in Gujarat

15% increase over the previous year. The government is focusing on building new capacities and upgrading existing defence infrastructure with increased budget allocations. This is expected to lead to opportunities in various defence infrastructure projects.

International

The business is exploring growth opportunities in West Asia and SAARC regions across metro rails, HSR, urban tunnels, defence infrastructure and ports & harbours.

Major Achievements

Major Orders Won

- Dubai-Abu Dhabi HSR: Design-and-build contract for civil works and stations for the Etihad HSR project
- Riyadh Metro project Line 2 Extension: Design and construction of an elevated viaduct of 1.3 km and an underground tunnel of 7.1 km, with two elevated and three underground stations
- 3,000 MW Saidongar-1 Karjat PSP: The project features two reservoirs – an upper reservoir on a hilltop and a lower reservoir – with advanced civil works including dams, tunnels and an underground powerhouse
- 1,500 MW Bhavali PSP: The project features two reservoirs – an upper reservoir and a lower reservoir – connected through advanced tunnels and an underground powerhouse
- KKNPP- 5 & 6 Mechanical: Erection of nuclear reactor systems, turbine systems including generators & condensers, seawater systems, polar & trestle cranes; and other related systems and equipment along with accessories, piping, supports, metal structures, painting, anti-corrosive coating, insulation and testing in various buildings and structures of KKNPP-5 & 6
- LIGO: Engineering, design, detailing, construction, fabrication, supply, installation, testing and commissioning of civil infrastructure including area development and vacuum infrastructure for the LIGO India Observatory
- Sharjah University Station: Design-and-build contract for passenger stations and civil works package (station building, training crew facility building, ancillary building, pump room, parking and connecting roads)

Key Projects Completed

- Dabhol Breakwater Project inaugurated in May 2025
- Thane Creek South Bridge inaugurated in June 2025
- MMRC UGC-01 inaugurated in October 2025
- CMRL Phase-2 C3 EV01 (Okkiyam Maduvu Highway Bridge) inaugurated in January 2026
- RRTS Package 7 inaugurated in February 2026

Other Key Achievements

- RVNL-2: Record completion of 504.2 m of RCC tunnel lining in a single month with a single gantry



The sharpest curve at a 125m radius at the Kathipara Junction, Chennai Metro Rail Phase 2, Tamil Nadu

- Orange Gate: In-house design of a larger-diameter tunnel (11 m)
- CMRL ECV-02: India's longest 33 m U-girder erected
- KKNP-3 & 4: Erected India's largest, first-of-its-kind containment dome liner
- Agra Metro: First-of-its-kind double T-girder - design & construction
- Gandhi Sagar PSP: Achieved 58,950 cu.m. concrete in a single month
- DC-09: Stacked tunnel from Hauz Rani to Neb Serai Station (12 m wide) — the first multi-level tunnelling project in L&T and DMRC

Significant Initiatives

- Ground improvement at the Mountain Tunnel-1 portal zone (MAHSR-C3) ensured stability and safety in challenging geological conditions
- Prestressed precast segmental hollow piers enable efficient construction with reduced material consumption and improved durability
- Implementation of a real-time bridge health monitoring system at Atal Setu enhances structural safety and life-cycle management
- Real-time strength monitoring of concrete using maturity meters ensures timely quality assessment and optimised construction cycles

Outlook

The Union Budget FY 2026-27 reinforces India's infrastructure-led growth trajectory, with a continued thrust on capital expenditure, expansion of public–private partnerships and the introduction of mechanisms such as the Infrastructure Risk Guarantee Fund to crowd in private investment, collectively unlocking a multi-trillion-rupee project pipeline across core sectors. Policy momentum in clean energy and baseload capacity — including the scale-up of PSPs with eased regulatory norms, a strengthened nuclear programme under the SHANTI framework with targeted investments in SMRs, and a broader power sector roadmap emphasising reliability and storage — augurs well for the respective business units. In addition, continued investments in urban mass transit and maritime infrastructure are also expected to support continued business momentum across metros, tunnels and port development.

India's Net Zero 2070 agenda and supportive clean energy policies are expected to create opportunities for the business across the hydro, nuclear and pumped storage segments. These factors, together with improved domestic execution frameworks and ongoing international opportunities in West Asia, are likely to support stable medium-term business growth.



765 kV Navsari–Phadge Transmission Line, Gujarat

Power Transmission & Distribution

Overview

The Power Transmission & Distribution (PT&D) business vertical is a leading EPC player providing technology-driven, end-to-end solutions that support reliable and efficient power delivery across a broad mix of generation sources. It offers integrated EPC services and related digital energy solutions, covering the development of smart and efficient transmission & distribution (T&D) networks through to last-mile electrification. The business serves utilities, energy developers and industrial and infrastructure customers across 30 countries in the SAARC, ASEAN, West Asia, Africa, North America and CIS regions.

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

The **Transmission & Distribution** business caters to various T&D utilities and developers along with bulk power consumers such as metros and airports in creating the following infrastructure:

- **Substations:** Turnkey solutions for Extra-High Voltage (EHV) air-insulated and gas-insulated substations up to 1,200 kV, including Flexible AC Transmission Systems (FACTS) such as Static Synchronous Compensators (STATCOMs) and Static VAR Compensators (SVCs), digital substations and EHV cable systems
- **Transmission Lines:** Complete EPC solutions for overhead transmission lines, supported by digitally enabled tower fabrication units with a combined capacity of over 1.1 lakh tonnes per annum
- **Power Distribution:** EPC services span urban and rural electrification, strengthening of high- and low-voltage distribution networks, power quality enhancement and advanced distribution management solutions

The Kancheepuram facility also has a state-of-the-art Tower Testing and Research Station, providing design and testing services to clients in over 30 countries.

Geographically, the key operating regions include India, Saudi Arabia, the UAE and the wider GCC region. The business also has a strong presence in Africa, ASEAN and CIS regions.

The business has established a strong reputation in West Asia among utilities and energy companies across Saudi Arabia, the UAE, Oman, Qatar, Kuwait and Bahrain, having executed several marquee projects and maintaining a significant share of annual T&D project awards.

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



Al Ghat Wind 380/132 kV Bulk Supply Point (BSP) # 9084, a critical infrastructure project supporting a 600 MW onshore wind power plant in the Riyadh province of Kingdom of Saudi Arabia

In Africa, the business has executed landmark projects across Algeria, Egypt, Morocco, Kenya, Ethiopia, Tanzania, Uganda, Botswana, Mozambique and Malawi, and continues to expand its presence in Western and Northern Africa, including Guinea, Cameroon and Tunisia.

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

The **Digital Energy Solutions** arm provides global consulting and digital solutions through a proprietary platform and a suite of software products. Its offerings include hybrid energy management systems, control room and substation automation, grid-edge solutions and power system cybersecurity. Driven by advanced algorithms and simulations, these solutions enable customers across India, West Asia and the Americas to build resilient, future-ready power systems.

The PT&D business continues to focus on delivering high standards of reliability, availability and efficiency in T&D networks while supporting evolving energy transition requirements.

Business Environment

The T&D sector in the West Asia continues to present a strong growth opportunity, supported by sustained investments in grid infrastructure. The region is witnessing accelerated deployment of renewable energy (RE) capacity as part of energy transition and diversification strategies.

This is driving the need for robust grid integration, expansion of high-voltage transmission corridors and development of substations to support large scale intermittent power flows. These factors have created a favourable business environment for growth in substation and transmission line projects across West Asia.

In India, several trend-setting orders related to grid digitalisation have been awarded, reflecting the early stages of a broader transformation and modernisation of the distribution system. Over the medium-term, such initiatives are likely to enhance the network's ability to manage an increasingly complex generation mix, alongside rising RE penetration. The government's continued efforts towards improving the transmission infrastructure for evacuation of power from RE sources has also supported the finalisation of major Tariff Based Competitive Bidding (TBCB) schemes.

Major Achievements

Major Orders Won

- ±800 kV Double Circuit High Voltage Direct Current (HVDC) transmission link in Western India
- 765 kV transmission line for energy transfer from RE Zones in Southern India
- Implementation of SCADA, Smart Technology Integration along with augmentation of power distribution networks for multiple distribution companies (discoms) in Uttar Pradesh



132 kV ESKAN YALAYIS Substation, UAE

- 3 numbers of 380 kV substations and 5 transmission line packages for grid expansion in Saudi Arabia
- 16 substations of various voltage levels in UAE and 10 substations in Kuwait
- 2 transmission lines for evacuation of power from RE source in Qatar
- 3 packages of 400 kV grid stations and associated transmission lines in Oman
- 500 kV overhead transmission line along with 3 new switching stations and bay extension works in 2 existing substations to evacuate power from wind power generation plants in Uzbekistan

Projects Completed and Commissioned

- 5 packages of 765 kV transmission line projects in Gujarat and Rajasthan
- 765/400 kV gas insulated substations (GISs) in Gujarat, Telangana and West Bengal
- 6 distribution projects under the Revamped Distribution Sector Scheme (RDSS) for improving power quality and reliability
- 3 substations and 328 km of overhead transmission lines in Saudi Arabia
- 13 substations and 138 km of overhead transmission lines across UAE, Kuwait and Oman and offshore substation projects
- 1 substation and 458 ckm of transmission lines in Africa
- 2 substations and 76 km of overhead transmission lines in ASEAN region

Significant Initiatives

The business has been granted a patent for a work methodology for the hot-dip galvanising process using Compressed Biogas (CBG) fuel. The process reduces the dependence on fossil fuel and lowers the carbon footprint.

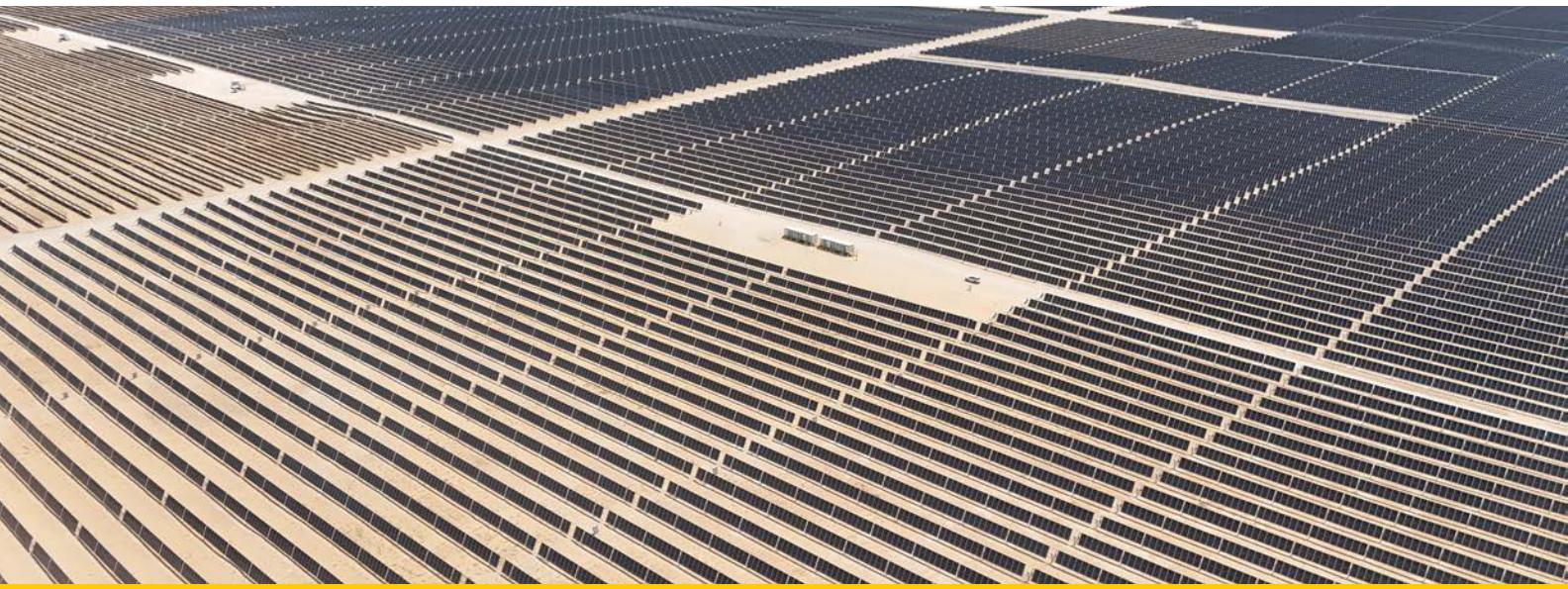
Several projects across West Asia have been completed ahead of schedule due to effective project management, digital adoption and close client coordination.

Outlook

The T&D business continues to operate in a favourable environment, supported by strong structural drivers across both international and domestic markets.

International

West Asia is witnessing a shift from planned expansion to execution, with multiple in-country and cross-border interconnection projects progressing across the GCC. Investments are focused on enhancing grid resilience and integrating RE, driving demand for high-voltage transmission systems, including HVDC corridors and FACTS technologies.



1.4 GW Al Kahfah Solar PV Project, Kingdom of Saudi Arabia

Simultaneously, economic diversification initiatives — such as new cities, industrial ecosystems and digital infrastructure — are creating new demand centres. The increasing scale of data centers and emerging applications such as artificial intelligence are further reinforcing the need for reliable and high-quality power networks.

Selective participation in markets across Africa, ASEAN and CIS countries, particularly in renewable-linked projects, is expected to provide incremental growth opportunities.

Domestic

The sector remains well positioned, driven by accelerating RE capacity addition and the corresponding need for an efficient evacuation infrastructure. Opportunities are supported by TBCB projects, expansion of 765 kV transmission networks and development of HVDC corridors for bulk power transfer. The government's continued focus on inter-regional transmission capacity, grid digitalisation and the next phase of distribution sector reforms is expected to further strengthen the opportunity pipeline.

A strong order book and visibility of prospects support a constructive business outlook. Backed by deep engineering expertise and in-house software development capabilities, the PT&D business is able to deliver a wide range of advanced physical and digital solutions at scale — including network-wide energy management systems, intelligent power distribution systems and dynamic reactive power compensation — thereby strengthening its competitive positioning in the marketplace.

Renewables

Overview

The Renewables business has evolved into an integrated EPC service provider for GW-scale solar PV, energy storage and hybrid renewable projects. The business is among a select group of firms with proven capabilities across a wide range of module technologies, mounting structures and contour-based solutions for challenging terrains and storage configurations. The business serves renewable energy (RE) developers, utilities, industrial and infrastructure customers across India, West Asia and CIS regions, with potential expansion into ASEAN and Africa.

The business has a well-established client base and has emerged as a preferred go-to partner for GW-size RE projects in West Asia, India and CIS. The business has consolidated its position as a market leader, supported by a globally diverse workforce representing 39 nationalities. This track record reflects a sustained emphasis on customer satisfaction, safety, quality and timely execution.

The business has built in-depth engineering and construction know-how to execute a broad spectrum of renewable projects including hybrid, floating and linear configurations, with technologies optimised to terrain and tracking requirements. It is also well equipped to support round-the-clock (RTC) RE requirements from emerging load hubs such as data centers and green hydrogen plants.



56 MW Floating PV Project, Ramagundam, Telangana

The capability is underpinned by its strengths across solar PV plant, battery energy storage system (BESS), energy management system / SCADA, wind and grid infrastructure.

L&T's Renewables business has scaled significantly in recent years, with its portfolio expanding to 38 GWp of solar PV capacity (from 3 GWp in 2021), 15 GWHr of BESS (from 0.02 GWHr in 2021) and 1.8 GWp of wind capacity (from nil in 2021).

Business Environment

Global commitments and improving economics are accelerating the RE transition, with renewables accounting for over 85% (692 GW) of net annual capacity additions in 2025 bringing total installed RE capacity to 5.15 TW. Tariffs continue to decline, while RE growth momentum is increasingly driven by economic viability and strong policy support.

A vibrant RE market across India, West Asia and the CIS offers significant opportunities for sustained growth. This growth is driven by larger project and package sizes that enable efficient resource utilisation and scalable expansion.

Renewable projects in West Asia and CIS now extend beyond standalone PV to include Wind EPC, RTC solutions and a strong emphasis on BESS. Meanwhile, India and ASEAN markets are also transitioning towards hybrid solutions such as, PV + BESS. Floating Solar projects are another area of growth across India and ASEAN with the business already having executed floating solar projects in India.

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

The evolving dynamics of West Asian countries' increased focus on energy security will drive a reassessment and accelerate RE adoption, providing strong growth for the business beyond what is envisioned. Evolving local content requirements across regions pose adaptation challenges, necessitating swift alignment.

Major Achievements

Major Orders Won

- 1.5 GW solar PV, 241 MWh BESS and 228 MW floating solar plants in India
- 6 GW solar PV plant EPC orders in Kingdom of Saudi Arabia (KSA)
- 800 MW solar PV plant restoration EPC order in the UAE
- 1.8 GW wind and 978 MWh BESS EPC orders in Central Asia





AMAALA Utilities PPP Project in Kingdom of Saudi Arabia, featuring a 250 MWp solar PV plant combined with over 750 MWhr of battery energy storage

Projects Completed and Commissioned

- 0.65 GW solar PV, 254 MWh BESS and 56 MW in floating PV in India
- 9.4 GW solar PV, 1.2 GWh BESS and 1.7 GW Wind BoP in KSA
- 0.2 GW of solar PV in the UAE

Outlook

Renewable electricity has emerged as the preferred energy source across a wide range of applications and industries. Significant investments are being directed towards expanding RE capacity in both developed and emerging economies. Global renewable capacity has now reached 49% of the total installed capacity and is expected to double to 11.2 TW by 2030, requiring average annual additions of ~1 TW.

The GCC countries have set ambitious RE targets of ~230 GW by 2030, against ~75 GW of ongoing and completed projects. The KSA leads with a target of 130+ GW, followed by the UAE at 30+ GW by 2030. Strong pipeline visibility, government intent — including green hydrogen initiatives — and a low renewable share at ~14% of total capacity indicate substantial headroom and make these targets increasingly imperative. In parallel, data centers and interconnector projects are emerging as significant demand drivers, enabling integrated clean energy solutions across generation, storage, transmission and power-to-grid infrastructure in the region.

Renewables account for approximately 50% of India's total installed power generation capacity, with 267 GW currently in place, and the country is targeting around 400 GW of renewable capacity by 2030. Domestic manufacturing capacity of solar PV cells is expected to expand significantly in the coming years. Achieving self-sufficiency in PV cell manufacturing will be critical to meeting India's ambitious RE targets.

CIS countries aim to scale renewable capacity from ~6 GW installed / under-construction to 36 GW over the same period. Collectively, across the GCC, India and the CIS, the total RE opportunity exceeds 350 GW.

The business will focus selectively on certain ASEAN markets, including Indonesia, Malaysia and the Philippines. Leveraging its proven track record and established stakeholder relationships, it will also pursue select opportunities arising from the G20 'Just Transition' initiatives and will explore opportunities in Africa spanning grid interconnection requirements and the growing adoption of RE.

The business' strong reputation and proven reliability with major developers across existing markets have reinforced its position as a market leader, driven by a high level of repeat orders. This established trust is expected to continue to drive growth across these regions and support expansion into new markets. The ability of the Renewables business to partner with developers across the full spectrum of projects – both routine and complex – distinctly positions it as a preferred partner.



136 MLD Sewage Treatment Plant, Diggian, Chandigarh

Water & Effluent Treatment

Overview

The Water & Effluent Treatment (WET) business delivers integrated, end-to-end water management solutions spanning the entire water life-cycle. With core expertise in potable water supply, irrigation, wastewater and industrial effluent treatment, desalination, storage and conveyance, and smart water infrastructure, the business integrates advanced technologies with proven engineering capabilities to deliver reliable, sustainable and future-ready solutions.

Backed by its in-house Water Technology Centre (WTC), the business continues to adopt and develop cutting-edge technologies and global best practices to drive efficiency, innovation and operational excellence. The business executes large-scale, high-impact projects across India, aligned closely with national development programmes. Through consistent execution, commissioning and operation of critical water infrastructure, the business contributes to strengthening water security, expanding access to safe drinking water and modernising wastewater management.

The WET business is structured into two Strategic Business Groups (SBGs):

Domestic WET – This SBG delivers comprehensive water solutions across potable water supply, irrigation, wastewater and industrial effluent treatment, desalination and storage and conveyance within India. It is structured into multiple sub verticals, broadly categorised as Water & Wastewater and Irrigation, Industrial & Infrastructure. The water supply business focuses on delivering potable water across the water cycle – from abstraction through intake wells, advanced water treatment, construction of pumphouses and reservoirs, transmission through 24x7 smart water networks, distribution to end users and includes initiatives to reduce non revenue water (NRW). In the Municipal Wastewater segment, the business undertakes projects encompassing construction of pumping stations, collection and conveyance of sewage, advanced wastewater treatment plants, including high-standard sludge treatment and power generation. In the Industrial Wastewater segment, the business provides integrated water and wastewater solutions for industries including power, petrochemicals, refineries, metals, and manufacturing covering design and execution of plant water systems and effluent treatment plants, enabling industries to reuse water ensuring circularity and sustainability. Desalination vertical delivers desalination solutions designed to perform across diverse operating conditions. The Irrigation vertical designs and executes large scale irrigation infrastructure to support sustainable water use, leveraging domain expertise in the engineering and execution of mega lift irrigation and micro irrigation projects.

International WET – Water International SBG focuses on providing complete water solutions across West Asia and East Africa. This business operates through two specialised



85 MLD WTP, Keonjhar III Water Supply Scheme, Odisha

verticals, namely, Water Treatment and Effluent Treatment, offering integrated, end-to-end solutions across the water value chain. The Water Treatment vertical delivers end-to-end capabilities in desalination and potable water projects, including intake and outfall systems, advanced treatment facilities, storage, pumping and transmission infrastructure. The Effluent Treatment vertical provides comprehensive municipal and industrial wastewater solutions, covering collection and conveyance systems, pumping stations, advanced treatment plants, energy efficient sludge management, and complete industrial effluent treatment and disposal facilities.

Business Environment

India's economic environment in FY 2025-26 remained resilient, supported by sustained government expenditure. In the water sector, government initiatives continued to drive demand across potable water supply, wastewater treatment and irrigation segments. During FY 2025-26, most of the projects financed through Jal Jeevan Mission (JJM) could not progress significantly as the central government had paused on funding pending review of cost escalation and delayed progress. Post the reviews, the government has extended the JJM until 2028 with a budget allocation of ~₹ 67,000 crore in FY 2026-27, aimed at achieving universal rural tap water coverage.

In addition, increasing emphasis on wastewater treatment and reuse, along with river rejuvenation programmes such as Namami Gange, is expanding the scope of government initiatives beyond potable water to encompass sustainable water management and circular water economy solutions.

Increasing adoption of PPP and HAM structures, particularly in wastewater treatment projects, is improving private sector participation and long-term revenue visibility. Furthermore, deployment of digital water management solutions such as SCADA systems, IoT-based monitoring and smart metering have enhanced operational efficiency and reduced non-revenue water.

In the irrigation sector, the government continued to emphasise modernisation, efficiency and technology integration, with initiatives such as 'Per Drop More Crop' focused on improving water-use efficiency. Additional policy measures, including the ~₹ 1 lakh crore Urban Challenge Fund for urban water and sanitation projects and a five-year target to bring 100 lakh hectares under micro-irrigation, are expected to further support investment and growth across the water infrastructure ecosystem.

While these initiatives reinforce the long-term growth outlook for water infrastructure, execution-related challenges such as last-mile connectivity gaps, procedural delays and heightened scrutiny on project execution and fund utilisation, particularly under JJM, continue to persist.

In West Asia, water security is a strategic priority. Government initiatives under Saudi Arabia Vision 2030,



10 MLD Integrated Industrial Effluent Treatment Plant, Qatar

UAE Water Security Strategy 2036, Qatar Vision 2030, Oman Water Vision 2040 are accelerating investments into desalination and wastewater recycling.

These countries face an acute freshwater scarcity driven by low rainfall, extreme temperatures and high salinity levels, and with a significant portion of natural water resources unsuitable for direct consumption. This has led governments to significantly invest in desalination, water treatment and recycling infrastructure. Rapid urbanisation and industrial expansion have further increased demand for high quality water across domestic, industrial and commercial sectors. As a result, the West Asian water infrastructure market is projected to grow at over 8% CAGR by 2030.

The overall business faces industry-specific challenges arising from competitive intensity, manpower constraints and cost pressures. It is, however, strategically positioned for growth by pursuing technology-led opportunities and leveraging the strengths of its in-house WTC to deliver innovative and sustainable solutions.

Major Achievements

Major Orders Won

- South East Guwahati Water Supply Project, Assam – intake with 98 MLD WTP, 555 km pipeline network
- Jhunjhunu-Surajgarh Water Supply Scheme, Rajasthan – 5,000 km pipeline network with pump houses and 170 service reservoirs
- UGPL Salandi Left Main Canal Project, Odisha – distribution system for 12,155 hectares
- Kekri-Sarwar Water Supply Project, Rajasthan – 43 km pipeline network
- Molarband STP, Delhi – sewage treatment plant with in-house AGBR technology

Major Projects Commissioned

More than three million people benefitted with the commissioning of 13 projects during FY 2025-26. Some of the major projects commissioned and key execution milestones achieved during the year are:

- Lower Suktel Underground Pipeline Irrigation Project, Odisha
- Kundalia Irrigation Project, Madhya Pradesh
- Mohanpura Water Supply Scheme, Madhya Pradesh
- Navda to Chavand Bulk Pipeline Project, Gujarat
- Coimbatore 30.54 MLD STP, Tamil Nadu
- Water Transmission Project in Ad Dakhiliyah, Oman
- Dubai Water Supply System, UAE

Significant Initiatives

During the year, the business undertook several strategic initiatives aimed at strengthening operational efficiency, enhancing technological capability and expanding market presence.



Pump House 3, ISP Parwati Phase I&II Micro Lift Irrigation Scheme, Madhya Pradesh

- The business is leveraging its WTC to roll out technology-led initiatives, focused on introducing new processes and enhancing existing ones
- To strengthen its presence in technology-focused markets, a New Business Incubation Cell has been formed to focus, identify and develop opportunities in untapped segments to support sustainable growth over the long-term
- To drive productivity, quality and speed of execution, a Fast Construct Cell has been formed to promote the adoption of precast construction technologies across projects
- Real-time risk monitoring systems are being deployed across project sites, alongside the implementation of control measures and standardised control procedures across risk profiles, to enhance operational excellence and strengthen safety awareness

Outlook

Operating largely in the business-to-government segment, the business continues to be aligned with central and state government policy initiatives. Several states have advanced initiatives in 24x7 urban water supply, sewage treatment, river rejuvenation and irrigation infrastructure, focusing on sustainable water management solutions for meeting long-term demand. According to industry estimates, India's water and wastewater sector is poised to grow at a ~CAGR of 12% and is projected to reach ~USD 18 billion by FY 2028-29, driven primarily by the need for improved wastewater treatment and water security.

Government initiatives such as the plan to establish over 500 wastewater treatment plants by 2027 and the extension of the JJM continue to provide opportunities across both potable and treated water infrastructure. In addition, ongoing investments in large-scale river interlinking projects in Madhya Pradesh, Haryana and Rajasthan, along with irrigation expansion in Karnataka, Bihar and Jharkhand, are further supporting investment momentum across the sector. With a growing footprint in international markets, particularly in Saudi Arabia, the business is well positioned for growth, supported by technology driven strategic orders.

Looking ahead, the business remains focused on emerging opportunities across irrigation, wastewater treatment, desalination and water management. Increased investments in river interlinking, municipal water infrastructure (both potable and wastewater) and industrial wastewater management are expected to sustain a strong order pipeline for integrated water solutions. As the organisation progresses towards its Lakshya 2031 vision, strategic priorities will focus on advancing technology adoption, strengthening presence in emerging sectors, and enhancing operational efficiency and profitability. These efforts will be pursued while maintaining financial discipline and reinforcing the commitment to ESG principles, positioning the business as a leader in the evolving water management landscape.



Bucket Wheel Stacker Reclaimer - AMNS Hazira, Gujarat

Minerals & Metals

Overview

The Minerals & Metals (M&M) business provides comprehensive EPC solutions covering the entire value chain from mineral processing to finished metal production. Its capabilities span the full project life-cycle, encompassing engineering, procurement, manufacturing, supply, construction, erection and commissioning.

Beyond EPC, the business also offers a diverse portfolio of customised product solutions, including advanced mineral crushing equipment and plants, surface miners, material handling systems, high-speed railway construction machinery, steel plant equipment, port and shipyard cranes, and other mission-critical assemblies. These products serve a range of core industries such as mining, steel, ports, fertilisers, cement and chemical processing.

Underpinning this entire portfolio are six decades of domain expertise, in-house design capabilities, world-class manufacturing infrastructure and dedicated after-sales support — all engineered to maximise operational uptime while delivering exceptional value.

M&M operates state-of-the-art manufacturing hubs in Kansbahal (Odisha) and Kancheepuram (Tamil Nadu). The business also runs specialised Engineering Design & Research Centres (EDRCs) in Kolkata, Chennai and Mumbai, driving continuous innovation across its operations.

Business Environment

Domestic Business

In FY 2025-26, India reinforced its position as the world's second-largest crude steel producer, with crude steel output rising over 10% year-on-year to 168.4 million tonnes. Domestic steel consumption increased to 164 million tonnes, remaining aligned with the long-term capacity roadmap envisaged under the National Steel Policy 2017. The domestic metals and industrial capex cycle remained resilient, supported by the Government of India's sustained thrust on infrastructure creation.

Policy focus has also sharpened around strengthening non-ferrous value chains — particularly aluminium, copper and critical elements — given their growing relevance in power networks, electrification and energy transition applications.

International Business

As part of their broader economic diversification strategies, governments across the GCC are increasingly positioning the minerals sector as a strategic pillar for sustainable growth and value creation within the region. Investments in green steel and aluminum processing are widely targeted for taking advantage of low energy costs and for the ease in setting up facilities. The region also has proven gold and phosphate reserves that are being developed to meet the growing market demands in Europe and Asia.



Coal Processing and Load-Out Package at the Dudhichua Mines, Madhya Pradesh

By virtue of access and availability to low-cost natural gas, the GCC provides opportunities for the steel industry to set up low-carbon iron hubs, serving as a transition pathway towards the production of green steel. Apart from primary metal extraction opportunities, the region is placing increasing emphasis on downstream value addition processes. In parallel, the region is also exploring the processing of new-age minerals and battery metals to address growing global demands.

The development of metallurgical projects and announcement of large scale industrial ones in the MENA region have led to a high demand for construction materials. To support the growing demand, the backend of the value chain - including limestone, aggregates and raw materials for metallurgical plants – is being expanded. This trend offers opportunities for the Product business, supported by its broad and differentiated product portfolio, to scale up with breakthrough orders in the region.

Product Business

The outlook for the Product business remains robust, supported by the government's sustained focus on infrastructure development, rapid urbanisation and increased investments across core industrial sectors. India's continued emphasis on capital expenditure, along with policy initiatives such as the National Infrastructure Pipeline, PM Gati Shakti and Make in India, are expected to drive long-term demand for engineered equipment and solutions.

The business is also strengthening its global footprint, with supplies of equipment to markets across Africa, West Asia, Australia and Europe.

Core product segments — including Crushing Systems, Surface Miners, Material Handling Equipment (Stacker Reclaimers & Wagon Tipplers), Port & Shipyard Cranes and Steel Plant Equipment — are expected to witness steady growth, driven by strong capital investments across cement, mining, metals, infrastructure, power, port and shipbuilding sectors.

Cement Sector

The Indian cement industry is projected to maintain a steady growth trajectory of ~6-7% CAGR over next five years, supported by strong demand from infrastructure and housing.

The country's leading cement manufacturers continue to undertake large-scale capacity expansions, both greenfield and brownfield. The industry is expected to add ~50-60 MTPA capacity in FY 2026-27, with further additions planned in subsequent years.

With its dominant market position in cement sector, the Product business is well aligned to capitalise on this growth by supplying critical solutions for mineral crushing and material handling.



Blast Furnace #5, JVML Ballari, Karnataka

Mining, Power & Steel Sector

The mining sector continues to be a key growth driver, supported by India's push towards self-reliance in raw materials and increased domestic production of finished goods.

The National Steel Policy, which targets steel capacity at 300 MTPA by 2030, is driving significant investments by the major producers. Simultaneously, rising demand for iron ore and coal is leading to increased mining activities and capacity expansions by upstream participants.

In the power sector, while renewable energy continues to gain traction, the Government of India has reaffirmed the need for ~80 GW of additional coal-based capacity by 2030 to ensure grid stability.

FY 2025-26 witnessed increased order inflow for Surface Miners, Apron Feeders, Stacker Reclaimers, Wagon Tipplers and Coal Crushing Equipment from these sectors. The business anticipates continued momentum in order inflows, supported by both brownfield expansions and new project developments.

Construction Sector

The construction sector continues to be a critical demand driver, particularly for aggregate crushing solutions, supported by increased government spending on roads, highways, railways and urban infrastructure. This sustained investment is expected to accelerate project execution and drive equipment demand. With the successful deployment of next-generation high-capacity crushing solutions, the business is well positioned to capitalise on emerging opportunities. Demand is expected to be further supported by the continued expansion of metro rail projects, development of expressways, and an increased focus on urban infrastructure.

Port Sector

The port and maritime sector is poised for significant expansion, driven by strategic initiatives such as the *Sagarmala* Programme and Maritime India Vision 2030. Container traffic is projected to grow at approximately 7-8% CAGR, supported by planned capacity additions of over 20 MTEUs in container terminals and around 450 MTPA in bulk handling capacity by 2030-31. Aligned with the government's Make In India initiative, the planned expansions are expected to drive demand for port cranes, rubber tyred gantry, rail mounted gantry and ship unloaders. Additionally, the government's renewed thrust on domestic shipbuilding and naval infrastructure is expected to generate demand for advanced shipyard equipment, including goliath cranes and electric level luffing cranes.



Hindustan Zinc Limited (HZL) - Upgradation of the Debari Smelter Complex, Rajasthan

The Product business is strategically positioned to leverage these opportunities, supported by its strong capabilities and proven track record in port and shipyard equipment.

Major Achievements

Major Orders Won

- Won significant contracts from Tata Steel Jamshedpur covering Coke Oven Battery and H-Blast Furnace Revamp
- Order from Hindalco for the Aluminium Smelter and Aluminum Refinery at Kansariguda
- Order from Hindustan Zinc Limited for the Jumbo Cell House, Leaching and Purification facility at Debari

Key Projects Commissioned

- Successfully completed the G-BF shutdown and commissioning of LD Converters at Tata Steel Jamshedpur
- Marked a historic milestone with the first Metal Tap at Balco, Korba
- Delivered multiple landmark commissioning at Tata Kalinganagar
- Successfully commissioned HZL Debari Roaster #6, expanding smelting operations
- Successfully commissioned 12 Stackers and Reclaimers, ensuring seamless material handling operations
- Designed the first indigenously designed Hybrid Tandem Wagon Tippler — a landmark in home-grown engineering innovation
- Successful commissioning of largest capacity 1,100 TPH aggregate crushing plant at Fujairah (UAE)



Kalinganagar Coke Oven Battery Project, Odisha

Outlook

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

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

Overall, the near-term outlook remains positive, with sustained growth driven by ongoing capacity expansions, technology-led advancements and strategic investments in the global minerals and metals industry.

ENERGY PROJECTS SEGMENT



Marjan Increment Program Package 2, Kingdom of Saudi Arabia

The Energy Projects segment comprises:

a) **Energy Hydrocarbon - Onshore**

b) **Energy Hydrocarbon - Offshore**

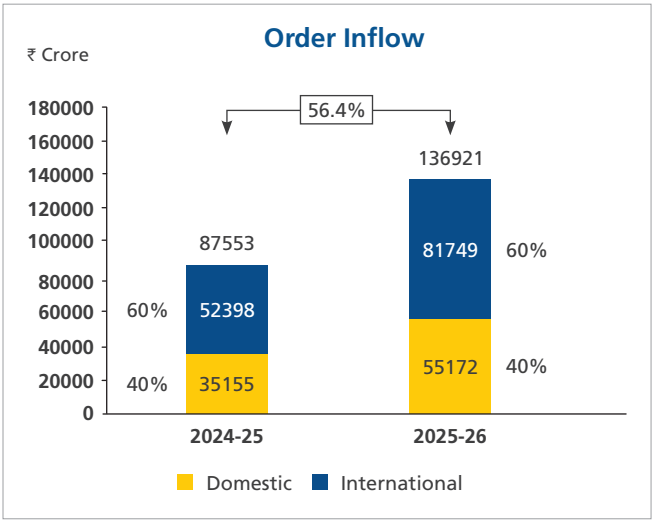
c) **Energy Hydrocarbon - Offshore Wind**

d) **CarbonLite Solutions**

The global energy sector is undergoing a significant transformation, driven by rapid technological advancements, evolving climate commitments and rising energy demand. In order to build deeper domain expertise, enhance strategic focus, accelerate growth and strengthen leadership oversight, the Energy Hydrocarbon business has been restructured effective April 1, 2025.

The Hydrocarbon business has been split into three distinct sub-segments namely Onshore Business, Offshore Business and Offshore Wind. This strategic move will enable greater specialisation, operational agility, enhanced capabilities and better client focus and relationship to navigate the evolving energy landscape while continuing to deliver world-class solutions.

Financial performance of the segment

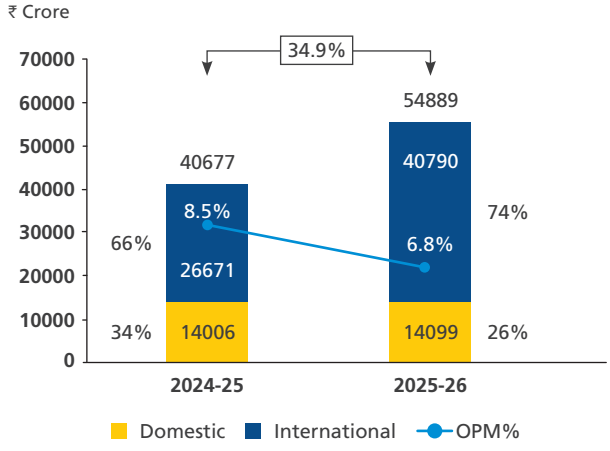




Offsite Tankages and Bullets (incl. all associated facilities) for Indian Oil Adani Ventures Limited (IAVL) at IOCL Panipat Refinery, Haryana

The Energy segment recorded order inflows of ₹ 1,36,921 crore in FY 2025-26, registering a significant growth of 56.4% over the previous year, driven by the receipt of a few ultra-mega orders across the Hydrocarbon verticals and multiple BTG orders in the CarbonLite Solutions business. The share of international orders remained stable at 60% in FY 2025-26.

Revenue from Operations and OPM%



The Energy segment recorded revenue at ₹ 54,889 crore for the year, registering a growth of 34.9% y-o-y, driven by a strong pick-up in the execution momentum, primarily in the Hydrocarbon business. The CarbonLite Solutions business also reported growth, as projects from the order book began moving into execution, although these remain at a relatively early stage. International revenues at the segment level increased to 74% in FY 2025-26, compared with 66% in the previous year, reflecting higher execution of the international order book, particularly in the Hydrocarbon business.

The segment's operating margin declined to 6.8% from 8.5%, mainly due to cost pressures in few legacy jobs in the Hydrocarbon business.

Funds employed by the segment as at March 31, 2026, is negative at ₹ 2,533 crore, compared to previous year at ₹ 2,278 crore mainly due to receipt of customer advances from the newly awarded orders.



Residue Upgradation Facility (RUF) for HPCL Vizag Refinery, Visakhapatnam, Andhra Pradesh

Energy Hydrocarbon – Onshore

Overview

L&T Energy Hydrocarbon – Onshore Projects business delivers end-to-end solutions across Engineering, Procurement, Construction and Commissioning (EPCC). Leveraging these capabilities, the unit provides design-to-build Lump Sum Turnkey (LSTK) EPC solutions across the onshore segment.

Its diversified portfolio spans onshore oil & gas field development, processing and treatment facilities, petroleum refining, petrochemicals, fertilisers, cross-country pipelines, chemicals, crude oil and product storage tanks and terminals, cryogenic storage / liquefied natural gas (LNG) storage tanks and terminals, coal gasification, decarbonisation initiatives, and complex composite mechanical, electrical and instrumentation (CMEI) works executed on an LSTK basis.

Business operations are supported by established engineering, procurement and project management centres located in Mumbai, Vadodara and Chennai. In addition, the business operates through branches and international subsidiaries, including L&T Hydrocarbon Saudi Company LLC in the Kingdom of Saudi Arabia (KSA) and Larsen & Toubro Electromech LLC in the Sultanate of Oman (Oman).

The Onshore business has developed integrated fabrication capabilities, including pipe fabrication facilities in KSA, thereby strengthening localisation initiatives while enhancing execution efficiency. This operating model enables seamless execution across domestic and international markets.

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

Business Environment

The domestic economic environment remained strong during FY 2025-26, supported by policy initiatives aimed at enhancing self-reliance and energy security. Sustained investments across refinery, petrochemical, LNG, fertiliser and coal gasification sectors created a robust pipeline of opportunities. Within this context, the business operated in a stable execution environment, backed by continued spending on brownfield expansions and downstream capacity augmentation.

West Asia continued to be the primary market, driven by sustained investments in oil & gas and petrochemical infrastructure. While the overall environment remained growth-oriented, certain markets faced challenges in aligning project budgets with prevailing market conditions.



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

Geopolitical developments, including regional tensions in West Asia, had a limited impact in FY 2025-26, except during March, and consequently had a minimal overall effect on the performance. Notwithstanding these factors, the business maintained a resilient order pipeline, supported by strong client relationships and active participation in strategically significant projects across key geographies.

Major Achievements

Major Orders Won

- An ultra-mega order was secured from QatarEnergy LNG for the Natural Gas Liquids-5 (NGL-5) Plant and associated facilities for processing Rich Associated Gas (RAG), marking one of the largest project awards in the sector
- A large order was secured from Saudi Aramco under the Unconventional Resources Maintain Potential Program for Packages 28 and 29
- A major order was secured from Bharat Petroleum Corporation Limited (BPCL) for a Linear Low-Density Polyethylene (LLDPE) / High-Density Polyethylene (HDPE) Swing Unit, comprising two trains of 575 kilo tonnes per annum (KTPA) each, at BPCL's Bina Refinery in Madhya Pradesh
- A large order was secured from Petronet LNG Limited for the EPC of LNG and ethane double-wall storage tanks, with capacities of 1,70,000 cubic metres and a Propane double-wall storage tank of 1,40,000 cubic metres, at the Dahej Petrochemical Complex in Gujarat
- A large order was secured from Bharat Coal Gasification & Chemicals Limited for the Coal-to-Nitric Acid and Ammonium Nitrate Project and the Ammonia Synthesis Project at Lakhanpur, Jharsuguda District, Odisha

Key Projects Completed / Under Execution

- Successful completion and commissioning of the Jafurah Gas Compression Project Phase-1 for Saudi Aramco in KSA
- Successful completion and commissioning of the Jafurah Export Pipeline Project for Saudi Aramco in KSA
- Mechanical completion of the Petrochemical Fluidised Catalytic Cracking Unit (PFCCU) and Propylene Recovery Unit (PRU), with a capacity of 2.9 million metric tonnes per annum (MMTPA), for HPCL Rajasthan Refinery Limited (HRRL) at Barmer
- Mechanical completion of the Atmospheric and Vacuum Distillation Unit (AVU), with a capacity of 9 MMTPA, for Indian Oil Corporation Limited (IOCL) at Barauni in Bihar
- Successful commissioning of the Residue Upgradation Facility (RUF), with a capacity of 3.55 MMTPA, for Hindustan Petroleum Corporation Limited (HPCL) at Visakhapatnam in Andhra Pradesh



Petrochemical Fluidised Catalytic Cracking Unit & Propylene Recovery Unit for HPCL Rajasthan Refinery Limited (HRRL), Barmer, Rajasthan

Significant Initiatives

During the year, the Onshore EPC business maintained a strong focus on execution efficiency and competitiveness through focused initiatives in value engineering, digitalisation, smart procurement practices and productivity enhancement.

The business remains focused on scaling modular construction, adopting advanced work packaging and strengthening digital EPC capabilities, while continuing to emphasise strategic sub-contractor partnerships, disciplined project selection and robust risk management.

Outlook

The outlook remains positive underpinned by sustained and increasing investments across the energy sectors in India and West Asia.

In India, continued investments in refinery expansion, petrochemical integration, LNG infrastructure, coal gasification and fertiliser projects are expected to drive steady demand for EPC services.

In West Asia, despite geopolitical uncertainties, the market remains resilient, with a strong pipeline of projects across oil & gas, LNG and petrochemicals. Major projects across KSA, Oman, the United Arab Emirates (UAE), Qatar, Kuwait and Algeria are expected to progress, with several currently at the bidding stage, and anticipated to be awarded in the near term.

While geopolitical developments in West Asia towards the end of FY 2025-26 have near-term implications, the extent and timing of any impact will depend on their nature and duration. Nevertheless, interactions with key clients and market stakeholders indicate that project award timelines are expected to broadly remain aligned with original plans.

The industry continues to operate in an environment of heightened competitive intensity. Project execution remains influenced by cost pressures and evolving supply chain dynamics. This operating landscape underscores the need for disciplined bid strategy and execution excellence. Against this backdrop, the business is well positioned to leverage its proven execution strengths, deep technical capabilities and strong client relationships to sustain growth and pursue opportunities.



North Field Production Sustainability (NFPS) COMP4, QatarEnergy LNG, Qatar

Energy Hydrocarbon – Offshore

Overview

LTEH Offshore business is a comprehensive EPCIC (Engineering, Procurement, Construction, Installation and Commissioning) solutions provider for offshore oil & gas projects globally. With end-to-end capabilities spanning project management, engineering, procurement, fabrication, offshore installation, hook-up and commissioning, the business offers a single-point turnkey solution across the project life-cycle. Its integrated execution model, strong engineering depth and proven delivery credentials have positioned LTEH Offshore as a preferred partner for complex, large-scale offshore investments across key energy markets.

The Offshore business solutions cover the full spectrum of projects, including:

- Process Complexes, Wellhead, Tie-in and LQ Platforms
- Subsea Pipelines and Systems
- Gas Compression Modules
- FPSO Topside Modules
- Brownfield Upgrades
- Transportation and Installation Services
- Deepwater Subsea Systems
- Pre-assembled Modules for Complete Plants
- Decommissioning – Asset Repurposing and Retiring Solutions

This wide capability spectrum enables portfolio balance across project types, geographies and investment cycles.

Recognised as a preferred contractor by leading national and international oil companies, LTEH Offshore's project management teams consistently deliver complex offshore projects on schedule, adhering to the highest quality benchmarks while ensuring a safe, incident-free work environment. The business has an in-house engineering division which offers value engineering solutions covering the entire project life-cycle — from concept and detailed design to commissioning.

The Offshore business operates state-of-the-art fabrication facilities at Hazira and Kattupalli in India and Sohar in Oman, collectively offering over 2 million sq.m. of yard space and an annual production capacity of 2,00,000 MT of offshore structures and onshore modules. These yards are equipped to fabricate and load out super-heavy integrated structures up to 30,000 MT. The business' marine fleet includes the self-propelled heavy-lift-cum-pipelay vessel LTS 3000 and the pipelay barge LTB 300, enabling greater schedule control over offshore installation and ensuring timely project completion. The Offshore business has signed an MoU with Bluewater to collaborate on the construction, deployment and operations & maintenance (O&M) of FPSO projects.



India's First Decommissioning Project - Tapti Facilities Decommissioning, British Gas Exploration & Production India Limited (BGEIPL)

The business has successfully delivered and executed projects across multiple regions, including India, Saudi Arabia, Qatar, Kuwait, Australia and the United States. It continues to broaden its client portfolio and geographical presence through focused strategic initiatives.

Business Environment

The capex cycle in the offshore sector is supported by rising global oil & gas consumption, necessitating the timely addition of new supply infrastructure. The sector remains structurally strong with continued growth in production and exploratory drilling spend — indicating sustained demand for platforms, pipelines and associated offshore infrastructure.

In Saudi Arabia, tendering activity moderated following several large awards earlier in the year, although new tenders continue to support production sustenance and priority developments. In Qatar, sustained investments in offshore compression platforms continue to underpin a strong pipeline of EPCIC opportunities. In the UAE, ADNOC's gas expansion and oil capacity maintenance initiatives are driving selective offshore investments.

In India, ONGC's offshore tendering activity has accelerated, reflected in recent awards, new tender issuances and the rationalisation of earlier contracting strategies.

LNG capacity expansions are further accelerating module fabrication business, while the ageing profile of existing assets is driving platform replacements, brownfield upgrades and life-extension investments to exploit remaining reserves. Consequently, the fundamentals for offshore production remain highly favourable.

Major Achievements

Major Orders Won

- Ultra-mega Offshore contract from Saudi Aramco for Zuluf Redevelopment PKG 1 & PKG 2 (CRPO 145-146) for the replacement of 15 old platforms, 2 new tie-in platform topsides, associated pipelines and modifications
- Two significant orders from Saudi Aramco (CRPO 158, 160) for 10 jackets and 2 Production Deck Modules (PDMs)
- Significant order from a new customer for Al Khafji Joint Operations – which operates field in the common offshore area between Kuwait and KSA – for EPCIC of 7 jackets

Key Projects Completed / Under Execution

- Mechanical completion has been achieved for facilities under Zuluf North & South Water Injection Facilities (CRPO 80/81)
- Successfully dispatched PAR & PAU modules for Linde – Blue H2 Project, Nederland, Texas, USA
- Successfully dispatched duly commissioned modules to Australia for CERES Project for Perdaman



Marine Terminal Expansion Project, Juaymah NGL facilities, Kingdom of Saudi Arabia

- The business is in the final stage of completing 2 major ONGC projects this year, including MHN TCPP PGC BGC project and phase 8 of Pipeline Replacement project
- The business has completed Daman Upside Development Project and enabled ONGC to monetise earlier than their original plan by offering innovative solutions
- Multiple ultra-mega and mega projects are under execution and progressing well including North Field Production Sustainability Project (NFPS-4) and EPCIC 12 Package for NOC Ruya

Significant Initiatives

To drive productivity enhancement, the business has implemented a suite of structured initiatives designed to streamline operations and maximise output. These efforts focus on production and assembly cycle time reduction programmes and significant advancements in yard automation, including the adoption of robotic welding, automated inspection and digital work packs.

The organisation's approach to Value Engineering (VE) is driven by the integration of advanced technology and collaborative processes to optimise project outcomes. VE workshops and AR/VR-enabled design reviews help to significantly improve constructability while optimising designs.

The business is advancing digitalisation through end-to-end digital procurement and fabrication dashboards for monitoring project progress in near real-time. 4D/5D planning and drone-based yard monitoring provide unprecedented visibility and control over complex operations. Knowledge management has been bolstered by the usage of Drishti, an AI-based portal dedicated to capturing and utilising organisational learnings through simple English queries. The business has also enabled proactive real-time HSE monitoring through video analytics platforms to ensure a safer working environment.

The organisation's Smart Procurement framework is built on a foundation of operational efficiency and strategic localisation. Key initiatives include the optimisation of vessel campaigns and the shift towards in-house fabrication of critical items to mitigate supply chain risks.

Outlook

External industry assessments for calendar year 2026 point to a challenging environment shaped by heightened war risks, supply chain disruptions and geopolitical uncertainties. However, rising global energy demand continues to sustain offshore investment momentum, despite the challenging operating environment.



HVAC Offshore Substation

India continues to rely heavily on energy imports, despite efforts to enhance energy security through ONGC-led Offshore E&P initiatives. Ongoing tensions in West Asia are expected to further accelerate exploration and development activities, requiring additional offshore infrastructure for oil & gas production in the country.

From a regional perspective, Saudi Arabia continues to maintain large-scale spending momentum across mega-programmes such as Marjan, Zuluf and Safaniyah, with continued investments in both greenfield developments and maintain-potential projects. Qatar's ongoing LNG expansion continues to remain a key driver of EPCIC opportunities. In the near term, reconstruction and capacity augmentation requirements could further elevate demand for offshore assets.

In developed markets — including the Americas, Europe, Singapore and Australia — high labour costs and shortages of skilled workforce are accelerating the adoption of modular construction, with fabrication activities increasingly being undertaken in offshore locations.

Across Africa, Mexico and Southeast Asia, rising deepwater exploration and production activity is driving a surge in global demand for FPSOs. The Offshore business is actively positioning itself to capture these emerging opportunities.

Energy Hydrocarbon – Offshore Wind

Overview

L&T's Offshore Wind business is dedicated to advancing cleaner energy solutions and sustainability. The business provides turnkey EPCI (Engineering, Procurement, Construction, Transportation and Installation) services, specialising in both offshore HVAC/HVDC substations and Wind Turbine Generator (WTG) foundations encompassing both fixed and floating worldwide.

The business consists of a strong multidisciplinary team, industry partnerships and a resilient supplier network supported by three state-of-the-art fabrication facilities across India and Oman — all operating under a 'Think Global, Act Local' ethos. Key operational hubs include the project management centre in Mumbai, the engineering & technology centre in Chennai, and the centre of excellence in Sharjah. Fabrication capacity is expected to be further strengthened by the Kattupalli Upgradation Project (KUP), which is being transformed into a specialised 'Wind Hub'.

By virtue of gaining significant traction with offshore wind developers and transmission systems operators in Europe, the business formalised its European entry in FY 2025-26 through the incorporation of L&T Energy Offshore Wind B.V. in The Netherlands.



HVDC Offshore Substation

Business Environment

The renewable energy sector is witnessing strong growth, fuelled by rising clean energy demand and a supportive policy environment. Offshore wind capacity reached approximately 85 GW by the end of 2025, with around 19 GW expected to come onstream in 2026, thereby crossing the 100 GW milestone. Energy security concerns and net-zero commitments are key drivers of this expansion. Europe remains the most developed offshore wind market, led by the UK, with Germany and The Netherlands emerging as key hubs. In Asia, markets such as Taiwan, Vietnam, Japan and South Korea are progressing steadily. India is expected to become a significant offshore wind market, offering L&T an advantage anchored in its strong local ecosystem.

Despite headwinds such as regulatory challenges and supply chain constraints – including limited OEM manufacturing capacity and extended lead times – the industry is expected to demonstrate resilience and sustain steady growth.

Major Achievements

Major Orders Won

- Ultra-mega Order of HVDC for offshore wind programme of TenneT, the Dutch German transmission system operator
- Pre-FEED engagement for foundations for RWE's Dogger Bank South Project
- A technical collaboration with an OEM for its HVDC Platform Cooling System Study

Significant Initiatives

The business has developed a robust ecosystem through strategic partnerships with HVDC/HVAC electrical technology suppliers, alliances with floating foundation technology providers, and has collaborated with fabrication yards across geographies to enhance local content. To support increasing demand, the business is investing in automation capabilities and positioning the Company's manufacturing facility on the east coast as key driver of future growth.

Outlook

Global offshore wind installations are projected to reach around 240 GW by 2030. Leveraging its core strength in EPCI of HVDC/HVAC offshore substations, the business is well positioned to capitalise on the opportunities that could arise across Europe and the Far East. These geographies remain near-term priorities, while markets such as India and the broader Asia Pacific region remain under active consideration. North American markets, including the United States and Canada, are also being evaluated from a strategic perspective as regulatory frameworks mature and market conditions become more conducive.



2x660 MW Buxar Thermal Power Plant, Bihar

CarbonLite Solutions

Overview

L&T Energy - CarbonLite Solutions (LTECLS), erstwhile L&T Energy - Power, is a leading EPC contractor offering turnkey solutions for the BTG (boiler-turbine-generator) island components of coal-based power plants, encompassing design, engineering, procurement, manufacturing, construction and commissioning. In addition, the business aims to leverage its existing expertise to develop and deliver solutions for nuclear projects (turbine-generator island) and for pumped storage plant turbine-generator systems.

The business has integrated state-of-the-art manufacturing facilities at Hazira (Surat) for ultra-supercritical and supercritical boilers, turbines and generators, pulverisers, axial fans, air preheaters and electrostatic precipitators.

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

L&T-MHI Power Boilers Private Limited, a JV with Mitsubishi Heavy Industries (MHI), Japan – world's leading power equipment maker, for the design, manufacturing, erection and commissioning of ultra-supercritical / supercritical boilers, up to a rating of 1,000 MW

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

L&T Howden Private Limited, a JV with Howden Group (part of Chart Industries Company, USA), is in the business of regenerative air preheaters and variable pitch axial fans for power plants

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

Business Environment

Central Electricity Authority (CEA) has projected a requirement of approximately 307 GW of coal- and lignite-based generation capacity by FY 2034-35, reflecting the need for reliable base-load power to support sustained economic and industrial growth. In line with this outlook, power producers across the public and private sector are developing new coal-based capacity. During FY 2025-26 alone, coal-based projects with a cumulative capacity of approximately 22 GW were awarded, underscoring continued investment momentum in the segment.



Turbine Manufacturing Facility at Hazira, Gujarat

Major Achievements

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

- High-value orders received from leading independent power producers (IPPs) for multiple 800 MW ultra-supercritical power projects in Bihar, Madhya Pradesh and Chhattisgarh
- Commercial operation declared for the first unit of 2x660 MW ultra-supercritical power project for a central utility in Bihar
- Commercial operation declared for the second unit of 3x660 MW ultra-supercritical power project for a central utility in Uttar Pradesh
- Commercial operation declared for the second unit of 2x660 MW ultra-supercritical power project for a central utility in Uttar Pradesh
- Operational acceptance certificates received for 11 units of Flue Gas Desulphurisation (FGD) for central utility projects located in Madhya Pradesh, Chhattisgarh, Odisha and West Bengal

Significant Initiatives

To improve profitability and ensure on-time execution, the business is undertaking a range of operational excellence initiatives, including the implementation of an integrated project management system (IPMS) and a digital material thread.

The IPMS provides a centralised repository of data across core functions such as EPC along with dashboards of other key functions including quality and environment, health & safety (EHS). The digital material thread initiative provides real-time visibility of material at various phases in the life-cycle, from engineering till erection. The IPMS and digital material thread have seamless data exchange with systems like SAP leading to unified data platform.

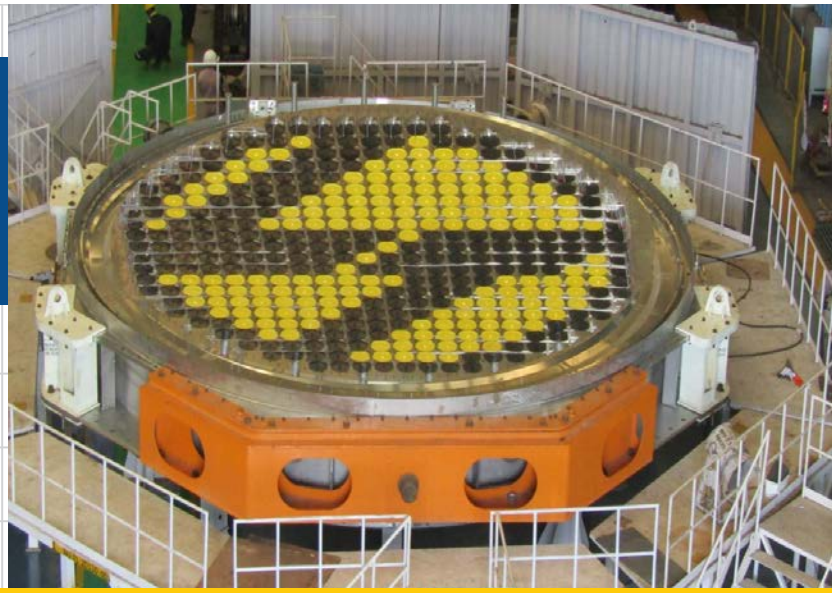
Apart from these major initiatives, digital and analytical levers such as AI (including ML), IoT-isation, immersive technologies like virtual reality, building information modelling (BIM), drones, process automation, value engineering through automation, business intelligence and analytics are now a part of the day-to-day operations of the business.

Outlook

As India's economy continues to expand — having emerged as world's third largest economy in purchasing power parity — sustaining growth momentum and supporting an increasingly large industrial base will require a strong and enduring focus on the country's energy security.

Coal-based power continues to contribute approximately 70-75% of India's total electricity generation and remains central to the country's power system. The requirement for dependable base-load capacity, energy security imperatives and sustained industrial and infrastructure-led demand growth underpin the continued relevance of coal-based generation, even as renewable capacity scales up rapidly and India progresses toward its long-term climate commitments.

HI-TECH MANUFACTURING SEGMENT



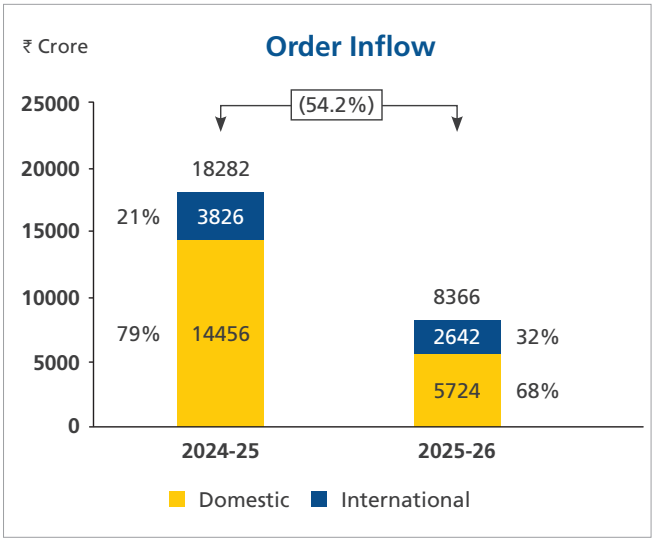
End-shields for 700 MWe Pressurised Heavy-Water Reactor (PHWR)

The Hi-Tech Manufacturing segment comprises:

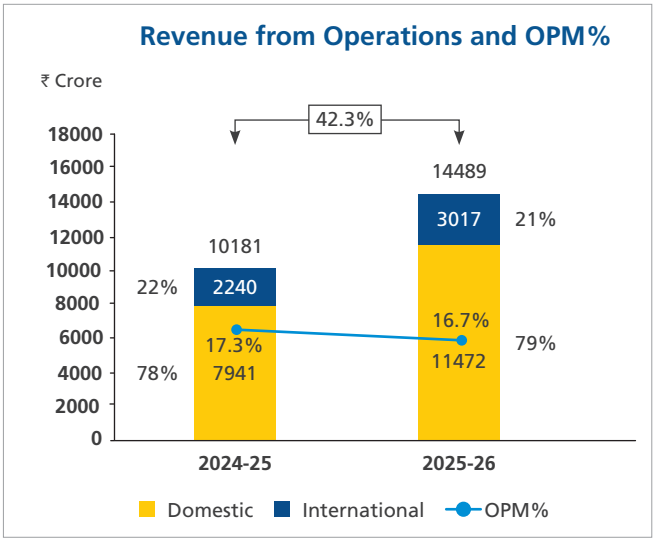
a) **Heavy Engineering**

b) **Precision Engineering and Systems**

Financial performance of the segment



The Hi-Tech Manufacturing segment recorded order inflows of ₹ 8,366 crore during FY 2025-26, registering a decline of 54.2% over the previous year, primarily due to high base in the previous year. The share of international orders increased to 32% in the current year from 21% in FY 2024-25.



The Hi-Tech Manufacturing segment achieved revenue of ₹ 14,489 crore for the year, registering a significant growth of 42.3% y-o-y, driven by a pick-up in execution momentum. The share of international revenue in FY 2025-26 was at 21% of the segment's total revenue, compared with 22% in the previous year.



Debottlenecking Project for HOFCC and ECR units, Petro Rabigh, Kingdom of Saudi Arabia

The segment's operating margin declined to 16.7% from 17.3%, largely reflecting the stage of execution and job mix.

Funds employed by the segment as at March 31, 2026, increased by 77.7% y-o-y to ₹ 3,999 crore, mainly due to increase in contract assets arising from higher job execution activities.

Heavy Engineering

Overview

L&T Heavy Engineering designs and manufactures engineered-to-order, high-technology equipment such as reactors, pressure vessels, heat exchangers and critical nuclear components for refineries, petrochemicals, fertilisers, oil & gas, and nuclear power plants. The business also undertakes complex modification, revamp and upgrade (MRU) projects, delivering safety-critical solutions across the full life-cycle of process plants.

These capabilities are anchored at the A. M. Naik Heavy Engineering Complex in Hazira, which serves as the hub of the business' manufacturing and execution operations. The Hazira facility is a globally benchmarked, fully integrated and digitally enabled manufacturing complex, equipped with in-house engineering and technology centres, advanced fabrication and testing infrastructure, and Industry 4.0 practices, supported by a highly skilled workforce committed to safety and sustainability.

The business is organised into following Product Business Units (PBU):

- The **Reactor & Pressure Vessels (RPV)** unit specialises in the design and manufacture of critical reactors and high-pressure vessels for refinery, petrochemical, fertiliser, liquified natural gas (LNG) and energy projects
- The **Heat Transfer Equipment (HTE)** unit specialises in the design and manufacture of heat exchangers and thermal process equipment for refinery, petrochemical, fertiliser and energy projects
- The **Process Plant Internals (PPI)** unit specialises in proprietary internals for reactors and ammonia converter baskets and chemical vapour deposition (CVD) reactors for polysilicon plants, involving the use of advanced and exotic metallurgies including duplex / super duplex stainless steel, inconel, titanium and zirconium.
- The **Modification, Revamp & Upgrade (MRU)** unit delivers comprehensive solutions for multidisciplinary lumpsum turnkey (LSTK) brownfield projects. These services include urea energy-saving initiatives, oil & gas unit debottlenecking, fluid catalytic cracking (FCC) revamps, reactor life-extension programmes, critical repairs and emergency process plant repairs. MRU integrates in-house manufacturing with site fabrication



Exxon Mobil – BT Gold Hydrocracking Reactor

to ensure the safe and timely execution of complex revamps in live operating plants.

- The **Special Fabrication Unit (SFU)** undertakes the fabrication of critical titanium piping spools, complex internals for gasification plants, loop reactors and primary quench exchangers (PQEs). SFU also manufactures double pipe heat exchangers for the polysilicon industry, filter vessels and refractory lined reactor regenerator internals for the petrochemical sector.
- The **Nuclear business** specialises in the design and manufacture of critical nuclear island equipment, including steam generators, end-shields and pressurisers. The unit also supplies reactor headers, calandrias, end-fittings and safety heat exchangers for pressurised heavy water reactor programmes. In addition, it manufactures spent fuel canisters and casks and has delivered specialised cryostat components for fusion reactor applications, including the International Thermonuclear Experimental Reactor (ITER) project.
- **L&T Special Steels & Heavy Forgings Pvt. Ltd. (LTSSHF)** is a wholly-owned subsidiary of Larsen & Toubro Limited. It is India's largest integrated steel melting and heavy forging facility, offering seamless, end-to-end capabilities from steelmaking through to precision-engineered finished forgings.

Business Environment

Policy momentum around the SHANTI Act in the nuclear sector presents a significant medium-term opportunity, with anticipated legislative and regulatory measures expected to catalyse greater private sector participation. This is likely to strengthen domestic capabilities across specialised materials, heavy equipment and skilled manpower, aligned with India's long-term vision of achieving 100 GWe of nuclear power capacity. The expanding role of nuclear energy beyond grid-connected power — supporting hard-to-abate industries and energy-intensive digital infrastructure — positions the sector as a critical enabler of reliable, low-carbon growth over the medium- to long-term.

In the MRU and SFU space, there has been a sustained shift from greenfield expansions towards brownfield modifications with customers increasingly prioritising revamps, upgrades and turnarounds aimed at life extension of existing facilities and short-cycle projects. Regional EPC players are offering cost-competitive solutions supported by localisation incentives, while participation by Asian contractors has increased, often backed by sovereign financing.

In the domestic market, investment levels in the refinery and fertiliser segments remained constrained, accompanied by intensified competition among domestic players. In response, the business has adopted a disciplined approach to order booking, with a focus on selectively pursuing



Steam Generators for Kaiga Units 5 & 6 for the 700 MWe PHWR Fleet Programme

technologically complex and value-accretive opportunities. The outlook for the forgings business remains positive, supported by policy tailwinds such as Domestically Manufactured Iron & Steel Products (DMI&SP), the Capital Goods Scheme and Make in India. The sector is expected to grow at a CAGR of ~6-8%, with comparatively stronger momentum in the open-die forgings segment.

Internationally, the business environment remains challenging due to geopolitical tensions and abrupt changes in trade and tariff policies. While investments in the refining sector remained selective, medium-term prospects showed gradual improvement with fertilisers — particularly blue and green ammonia — and LNG emerging as key growth drivers, supported by rising demand in Asia, North Africa and North America.

Major Achievements

International

- Won orders for 12 equipment packages for a flagship blue hydrogen, carbon capture, utilisation and storage (CCUS) and compression project in South East Asia
- Secured over 40 orders for critical equipment in West Asia, and heat exchanger orders from South America and North Africa
- Delivered a 1,225 metric tonne hydrocracking reactor, an NGL column package, 12 critical equipment packages, and 2 delayed coking unit reactors
- Secured FCC regenerator replacement and Micro Scrubber Replacement Projects for Kuwait National Petroleum Company (KNPC)
- Executed 5 major shutdowns for Abu Dhabi National Oil Company (ADNOC) NGL Trains 1-4 under the Ruwais Capacity Enhancement Project, achieving a 25% capacity increase

Domestic

- Secured a performance order for manufacture and supply of 8 steam generators under the 700 megawatt electrical (MWe) PHWR for Rajasthan Atomic Power Project
- Delivered 7 of 12 steam generators under the 700 MWe PHWR fleet programme
- Achieved the fastest-ever delivery of a urea reactor under a compressed 11-month schedule and 3 high-pressure reactors for India's first vinyl acetate monomer / vinyl acetate ethylene (VAM / VAE) plant
- Completed molten-salt testing and commissioning of an acrylic-acid reactor based on L&T's patented design
- Completed Hindustan Mittal Energy Limited (HMEL) Bathinda FCC and waste-heat boiler (WHB) revamp ahead of schedule
- Successful indigenisation of thermal rotor and wind shaft forgings exceeding 20 MT



Urea Reactor IFFCO Kalol Express Delivery – Creating a New Benchmark

Significant Initiatives

Across the business, initiatives are focused on strengthening long-term competitiveness through selective capability building, execution excellence and organisational development. The business is advancing a future-ready operating model through investments in process-specific technologies and by reinforcing quality systems under the Deming Journey.

The business is also pursuing initiatives to enhance productivity and control in complex brownfield projects through targeted automation, in-house technology development, and integrated project and resource planning systems. These efforts are complemented by the selective adoption of advanced simulation and AI-enabled tools, supported by dedicated teams to scale high-impact digital use cases.

Underpinning these initiatives is a sustained focus on people and leadership development, with continued investments in building leadership depth, strengthening succession pipelines and advancing structured talent development programmes. These efforts are aimed at fostering organisational resilience, capability continuity and a performance-driven culture to support long-term growth.

Outlook

International markets are expected to remain competitive, driven by intensified pricing strategies and preferential treatment for North Asian and European suppliers in export credit agency (ECA)-funded projects. In addition, fabricators based in China continue to benefit from policy-driven support and non-tariff barriers, further intensifying competitive pressures. MRU continues to see healthy opportunities across West Asia and Indian PSUs for revamps, replacements and reliability-improvement projects.

The SHANTI Act signals a positive and decisive step to incentivise entry of private sector in the nuclear energy business.

Near-term priorities for the business remain centred on accelerating execution of the existing order book, maintaining prudent input cost management and continued advocacy for policy support.

To address regional workforce and mobility constraints, the business is adopting advance visa planning, greater localisation and transitioning towards a direct manpower model.

The business continues to pursue a selective bidding strategy focused on complex, safety-intensive and time-bound projects where technical capability, execution certainty and safety performance take precedence over price-led competition.



Close-In Weapon System (CIWS)

Precision Engineering and Systems

Overview

Precision Engineering and Systems (PES) synthesises high-precision manufacturing with advanced systems engineering to deliver comprehensive 'concept-to-design-to-delivery' solutions.

While historically anchored in the defence and aerospace domains, the business is currently transforming to capitalise on the growing demand for intelligent industrial systems. This evolution is anchored in two strategic thrusts: deepening indigenisation in its core defence and space businesses, and expanding into high-value industrial electronics through a newly incubated vertical – Electronic Products & Systems (EPS).

This transformation is a natural progression of a journey that began decades ago. L&T made its foray into various strategic sectors such as nuclear power, aerospace and defence in the sixties, early-seventies and mid-eighties, respectively, as part of the Company's focus on building a strong and self-reliant India by leveraging its precision and systems engineering capabilities. This was well ahead of the opening up of these sectors for private industry participation, beginning with defence in 2001, aerospace in 2020, and finally nuclear power in 2026. Today, L&T is a strategic industry partner to the Indian Ministry of Defence (MoD).

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

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

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

In the Land Systems domain, the business is engaged in design-to-delivery solutions across a host of artillery programmes, air defence programmes, armoured platforms, weapon delivery platforms and combat engineering systems.

In the space sector, the business continues to be a trusted partner to Indian Space Research Organisation (ISRO) across technology streams.



India's Indigenous Light Tank 'Zorawar' prototype

Building on L&T's strengths in strategic electronics and leveraging its growing capabilities in semiconductor design, its newly formed business vertical EPS is structured around five verticals:

- Strategic EPS focussed on Defence electronics, and
- Four industrial verticals built around it — (i) Power Electronics, (ii) Mobility, (iii) Industrial Robotics & Automation (IRA), (iv) Electronics Systems Design & Manufacturing (ESDM)

The business is guided by core principles of IP-led product differentiation, open innovation and strategic partnerships for accelerated go-to-market.

The business is headquartered at Powai, Mumbai and its operations extend across India through the following dedicated Production Centres:

- A. M. Naik Heavy Engineering Complex at Hazira (near Surat) for manufacturing, integration & testing of armoured & allied land platforms, hulls as well as pressure-proof structures for underwater platforms
- Shipyard at Kattupalli (near Chennai) catering to new builds and repair of marine platforms
- Strategic Systems Complex (SSC) for manufacturing, integration and testing of launch systems, radars, engineering equipment and control systems at Talegaon (near Pune)
- Precision Manufacturing & Systems Complex (PMSC) for manufacturing of aerospace systems, precision products and advanced electronics at Coimbatore
- Battery Energy Storage System (BESS) Factory at Kancheepuram offering end-to-end capabilities, including system and solution engineering, procurement, manufacturing, in-house integration and construction of containerised storage solutions

The business has a dedicated team focused on the development of futuristic technologies, and has recently relocated its Protolab to the Indian Institute of Technology (IIT) Bombay's Aspire Research Park. This move enables the organisation to better leverage IIT's talent pool, research ecosystem and infrastructure for collaborative innovation and co-development.

The newly incubated EPS vertical will have its facility at a 40-acre integrated campus in Coimbatore, positioned as a large-scale, future-ready electronics manufacturing hub, supported by a comprehensive capability expansion plan.

Since its inception, the business has built a portfolio of wide-ranging indigenously designed & developed products, systems, solutions, platforms and technologies. The business has indigenously conceptualised, engineered, built and supplied over 250 systems & products, with more than 50 of them having been delivered in serial production mode. The business model is uniquely differentiated through its focus on in-house technology and product development,



Pinaka: Multi-barrel Rocket Launcher

innovation for serial production, and mature and equated partnerships with domestic as well as global majors, both in the government and in private sector. Besides supplies, the business also offers services for life-cycle sustenance of platforms, equipment and systems supplied, including for obsolescence management. These capabilities enable the business to maintain its market leadership position in the private sector defence industry and be future-ready given the government's push for higher indigenisation and autonomy through the '*Aatmanirbhar Bharat Abhiyan*'.

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

It is noteworthy that the business' prime customer and regulator, i.e., the Government of India, is committed to non-proliferation under the 'Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005'. India is also a signatory to the Missile Technology Control Regime (MTCR), a multilateral export control regime, and a party to the Wassenaar Arrangement — a voluntary export control regime that limits the destabilising proliferation of sensitive technologies. Further, India has voluntarily adopted a 'No First Use' (NFU) Policy (PIB notification dated January 4, 2003) that is enshrined in the commitments of the Cabinet Committee on Security (CCS). The Company recognises the need to act responsibly in carrying out its business related to the defence sector, implement internal controls and stay committed to respecting human rights.

While maintaining its position as a leading private sector, multi-segment player in the Indian defence domain, **the business does not manufacture explosives and ammunition of any kind related to cluster munitions, anti-personnel landmines, nuclear weapons and components for all such munitions. The business also does not customise any delivery systems for all such munitions.**

Business Environment

India's defence production ecosystem continues to evolve rapidly. Traditionally dominated by Defence Public Sector Undertakings (DPSUs), the sector has now entered a transformative phase marked by deeper private sector participation — including strategic public-private partnerships, tie-ups with start-ups and academia — and driven by a strong policy push towards indigenisation, innovation and the development of a competitive domestic defence industrial base.

FY 2025-26 has witnessed tangible outcomes of wide-ranging policy and procedural reforms undertaken by the



Maneuverable Recoverable Aerial Target (MRAT)

Ministry of Defence (MoD). These reforms have focused on strengthening jointness, accelerating modernisation, improving ease of doing business and significantly compressing acquisition timelines through revised procurement manuals, enhanced financial delegations and faster approval mechanisms. Further reinforcing this trajectory, the MoD issued a draft revised Defence Acquisition Procedure (DAP) during FY 2025-26 for industry consultation, aimed at simplifying processes, accelerating decision-making, promoting indigenisation and encouraging greater private sector participation.

During the year, Acceptance of Necessity (AoN) was accorded by the Defence Acquisition Council (DAC) for 55 proposals amounting to ₹ 6.73 lakh crore — a pipeline nearly thrice the annual defence capital outlay, creating deep multi-year order visibility across DPSUs and private players. Importantly, over 90% of these programmes are categorised for procurement from domestic sources, underscoring India's deepening commitment to self-reliance. Major programmes include the Multi-Role Fighter Aircraft (MRFA), Next Generation Corvettes (NGC), Landing Platform Dock (LPD), Quick Reaction Surface-to-Air Missile (QRSAM) Systems and Nag Missile System (Tracked) Mk-II (NAMIS), among many others.

Government initiatives continue to focus on emerging domains such as unmanned systems, cyber, space, electronic warfare and artificial intelligence. Policy measures encouraging indigenisation, increased private sector participation, promotion of the PPP model and fostering of R&D partnerships between Indian industry and global OEMs are further strengthening the ecosystem. India's ambitious targets — defence exports of ₹ 50,000 crore by FY 2028-29 and domestic defence production reaching ₹ 3 lakh crore by FY 2028-29 — continue to provide strong directional impetus to the sector.

Globally, the defence landscape in FY 2025-26 remained volatile, shaped by ongoing geopolitical tensions including the current US-Israel-Iran conflict and instability in other regions. These developments have sustained pressure on global defence supply chains, resulting in longer lead times, higher input costs and a heightened focus on supply chain security and localisation. Trade protection measures and evolving geopolitical alignments are further influencing sourcing strategies and defence collaborations worldwide. In this context, PES has continued to strengthen its focus on building a resilient, self-reliant supply chain anchored in indigenisation and strong in-house design and engineering capabilities, actively diversifying its supplier base and investing in strategic partnerships to mitigate supply risks and enhance execution reliability.

On the space front, the sector continues to gain momentum following its liberalisation and the implementation of the Indian Space Policy 2023. Increasing private sector participation across the value chain — from launch vehicle manufacturing to satellite development and downstream



Articulated All-Terrain Vehicle

applications — presents significant growth opportunities for companies with established capabilities in this domain.

Parallel to these developments in the defence and space ecosystem, India's electronics manufacturing landscape is witnessing an equally significant structural transformation — one that PES, through its incubated business vertical EPS, is now strategically positioned to capture.

India's electronics manufacturing market is at a structural inflection point, projected to scale from USD 115 billion to USD 500 billion by FY 2030-31, driven by the accelerating adoption of renewable energy, electric vehicles, industrial automation and indigenisation mandates. Within EPS's targeted industrial segments, the total addressable market stands at approximately USD 2 billion today and is projected to grow at 18% CAGR to approximately USD 5 billion by FY 2030-31.

Major Achievements

During FY 2025-26, the business has achieved multiple milestones, uniquely reaffirming L&T's positioning as a 'Nation Builder' through a series of Make in India programmes. These include:

- Signed a contract with Indian Army for the procurement of All-Terrain BvS10 Sindhu Platforms in partnership with BAE Systems Hägglunds
- Foray into Combat Management Systems for Navies including one export opportunity
- Delivered two Anti-Submarine Warfare Shallow Water Crafts (ASW-SWC) to GRSE for the Indian Navy
- Launched the first Cadet Training Ship (CTS-1)
- Handed over the first set of Light Combat Aircraft (LCA) Mk1A Wings to Hindustan Aeronautics Limited (HAL)
- Grant of Clearance of Service Use (CSU) for upgraded on-board pilot oxygen system for Indian Navy, reducing import dependency for crucial runtime requirement
- Maiden flight-test of Quick Reaction Surface-to-Air Missile (QRSAM) conducted successfully from L&T-developed launcher as part of Integrated Air Defence Weapon System (IADWS)
- High Altitude Trials of Runway Independent Remotely Piloted Aerial System (RWI-RPAS) conducted successfully at Leh
- Strategic partnership with US-headquartered General Atomics Aeronautical Systems, Inc. (GA-ASI) to manufacture Medium Altitude Long Endurance (MALE) Remotely Piloted Aircraft Systems in India, for the Indian armed forces
- L&T-BEL consortium is among the three participants who have cleared the Expression of Interest (EoI) qualification stage for participation in the AMCA programme



Cadet Training Ship

Significant Initiatives

R&D and innovation have been the backbone of the PES business since its inception. A range of R&D initiatives have been undertaken during the year, focusing on the development of advanced defence platforms, emerging technologies and the integration of AI-based solutions. Some of the key initiatives undertaken by the Technology & Innovation Centre during the year are as listed below:

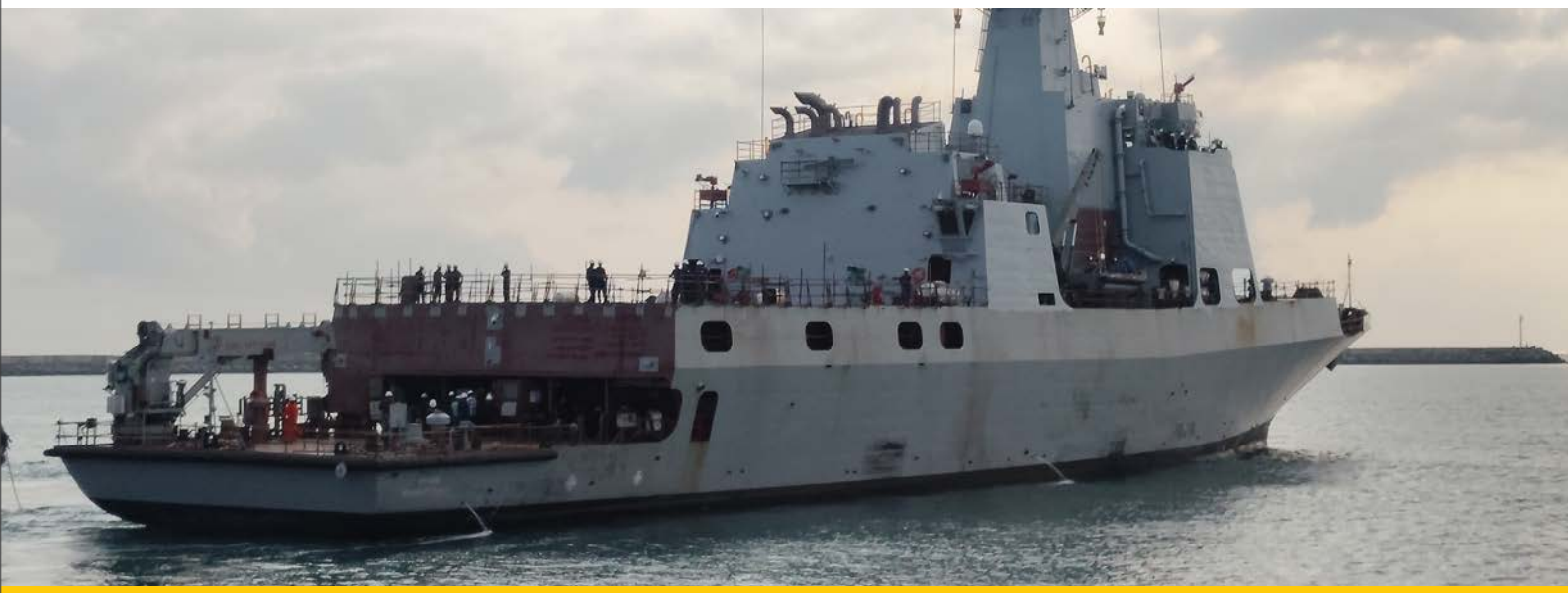
- Development of Application Specific IC (ASIC) in collaboration with L&T Semiconductor Technologies (LTSCT)
- Development of Narrow Line Width Fibre Laser (NLFL) with CGCRI, Kolkata
- Joint development of aero engine for unmanned aerial vehicles (UAVs)
- Development of AI-based algorithms for future autonomous vehicles

Three key strategic partnerships were concluded for Industrial Electronics business to kick-start their go-to-market plan:

- MoU with a leading sector player for motor control unit (MCU) for EVs
- Successful completion of painting cobot prototype trials followed by the signing of a Joint Development Agreement
- Collaboration agreement for product development of DC-DC Converter

Outlook

The Union Budget 2026-27 has allocated ₹ 7.85 lakh crore to the Ministry of Defence, reflecting an ~15% increase over the previous year's estimates. Within that the capital outlay for defence witnessed a significant step-up of ~22% y-o-y, underscoring the government's continued emphasis on accelerated modernisation of the Armed Forces. Of the record capital outlay of ₹ 2.19 lakh crore, around ₹ 1.85 lakh crore has been earmarked for capital acquisition, to equip the Armed Forces with next-generation fighter aircraft, advanced weapons, ships and submarines, UAVs, drones, etc.



Multi-Purpose Vessel

Reinforcing the government's *Aatmanirbhar Bharat focus*, nearly 75% of the capital acquisition budget has been reserved for procurement from the domestic defence industry, translating to an allocation of approximately ₹ 1.39 lakh crore for Indian manufacturers.

The R&D thrust has been further strengthened in the budget, with capital outlay for defence R&D increasing to over ₹ 17,000 crore, representing a double-digit growth over the previous year.

On the electronics front, the budget raised the Electronics Components Manufacturing Scheme (ECMS) outlay to ₹ 40,000 crore, signalling deeper support for domestic component ecosystems, sub-assemblies and supply chain localisation. The basic customs duty exemption on capital goods for Lithium-Ion cells has been extended to Battery Energy Storage Systems (BESS).

The competitive landscape presents a clear white space: heavy dependence on imports in power electronics, dominance by global Tier-I players in mobility electronics, and an absence of strong indigenous IP-led players in high-complexity industrial electronics. Supportive government policies — including Production-Linked Incentive (PLI) schemes, EV Phased Manufacturing Programme (PMP) mandates, Bureau of Indian Standards (BIS) localisation requirements and the India Semiconductor Mission — reinforce this structural opportunity. Geopolitical supply chain disruptions have further accelerated customer intent to localise electronics sourcing, directly benefiting India-first proposition of the business and creating a durable tailwind.

Against this backdrop of enhanced capital spending, policy reforms and sustained global demand, the business is well positioned to leverage the government's thrust on self-reliance and modernisation, and to capitalise on emerging opportunities across shipbuilding, artillery and combat systems, combat engineering equipment, electronic and communication systems, and space technologies, both within India and in select export markets.

IT & TECHNOLOGY SERVICES SEGMENT



LTM Headquarters, Powai, Mumbai

The IT & Technology Services segment comprises:

a) **LTM Limited and its subsidiaries**

b) **L&T Technology Services Limited and its subsidiaries**

c) **L&T Semiconductor Technologies Limited**

d) **L&T EduTech**

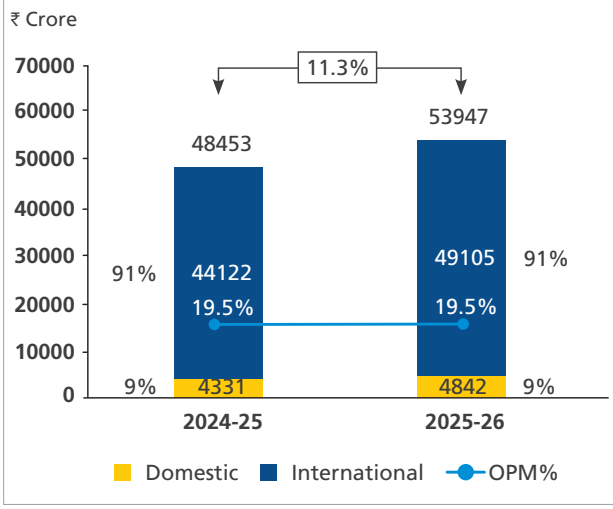
e) **L&T-SuFin [SuFin Limited effective April 1, 2026]**

f) **Larsen & Toubro Vyoma [Data Center and Cloud Services]**

Financial performance of the segment

The segment recorded revenue of ₹ 53,497 crore for the year ended March 31, 2026, registering a growth of 11.3% over the previous year, largely reflecting continued customer spends in the IT&TS sector across the various markets. International revenue remained unchanged at 91% of the total revenue of the segment. The newly incubated businesses – Digital platforms, Data Center and Semiconductor – are yet to contribute meaningfully to the segment revenues as they remain in early stages of scale-up.

Revenue from Operations and OPM%



The segment's operating margin at 19.5%, remains unchanged for the year.

The funds employed by the segment as at March 31, 2026, increased by 2.9% to ₹ 38,815 crore, compared to March 31, 2025, largely reflecting of higher investible surplus.



LTM Headquarters, Powai, Mumbai

LTM Limited

Overview

LTM is an AI-centric global technology services company and a Business Creativity Partner to 740+ clients spread throughout the world. With more than 87,000 employees across 40+ countries, LTM combines domain expertise, digital engineering and AI to deliver measurable business outcomes.

Across industries, LTM combines deep domain expertise with intelligent technologies to help clients reimagine possibilities and create new pathways for growth and value.

Business Verticals

LTM operates across a diversified set of industry verticals, providing resilience across economic cycles:

Travel, Transport, Hospitality, Logistics & Real Estate

LTM partners with leading global enterprises across the travel and real estate ecosystem to address mission-critical challenges, enhance customer experiences and drive scalable growth. Leveraging AI-native capabilities and deep domain insight, LTM helps clients build resilient, future-ready operations and deliver seamless, personalised digital experiences.

Public Services

LTM works with public sector organisations to drive efficiency, increase transparency and improve citizen outcomes. Through the integration of domain knowledge with digital and AI capabilities, the company enables responsive, inclusive and resilient service delivery models.

Manufacturing

LTM partners with customers across industrial, automotive, aerospace, EPC and process manufacturing industries to enable intelligent, autonomous and resilient operations. Through digital, data and agentic AI-driven solutions, the company helps unlock productivity, agility and next-generation manufacturing excellence.

Healthcare

LTM supports healthcare payers, providers and innovators in building intelligent, outcome-driven ecosystems. LTM's AI-first, platform-led approach improves access and affordability, while improving clinical and operational outcomes through connected, adaptive care models.



LTM's BlueVerse - An Agentic AI ecosystem for the enterprise of the future

Life Sciences

Across the molecule-to-market value chain, the company enables life sciences enterprises to accelerate R&D, optimise clinical trials, modernise manufacturing and deliver personalised patient experiences. LTM's AI-first solutions drive measurable innovation and improved health outcomes.

Energy

LTM delivers AI-led, domain-driven transformation across upstream, midstream, downstream and renewables. Combining engineering heritage with digital and AI capabilities, the company helps energy enterprises strengthen resilience, optimise operations and advance sustainability.

Utilities

LTM helps in the transition of utility companies from reactive to predictive operations by integrating IT/OT, AI automation and data-driven intelligence. The company's solutions improve reliability, safety, customer experience and sustainability across electric, gas and water utilities.

Retail & Consumer Packaged Goods

LTM helps retail and CPG enterprises deliver differentiated omnichannel experiences and optimise value chains. Through AI-first digital engineering and industry expertise, the company enables speed, intelligence and scalable growth for global brands.

Insurance

The company partners with leading insurers to transform underwriting, claims, distribution and core platforms. Leveraging AI-centric systems, strong platform ecosystems and proprietary accelerators, LTM enables scalable, data-driven and agile insurance enterprises.

Banking & Financial Services

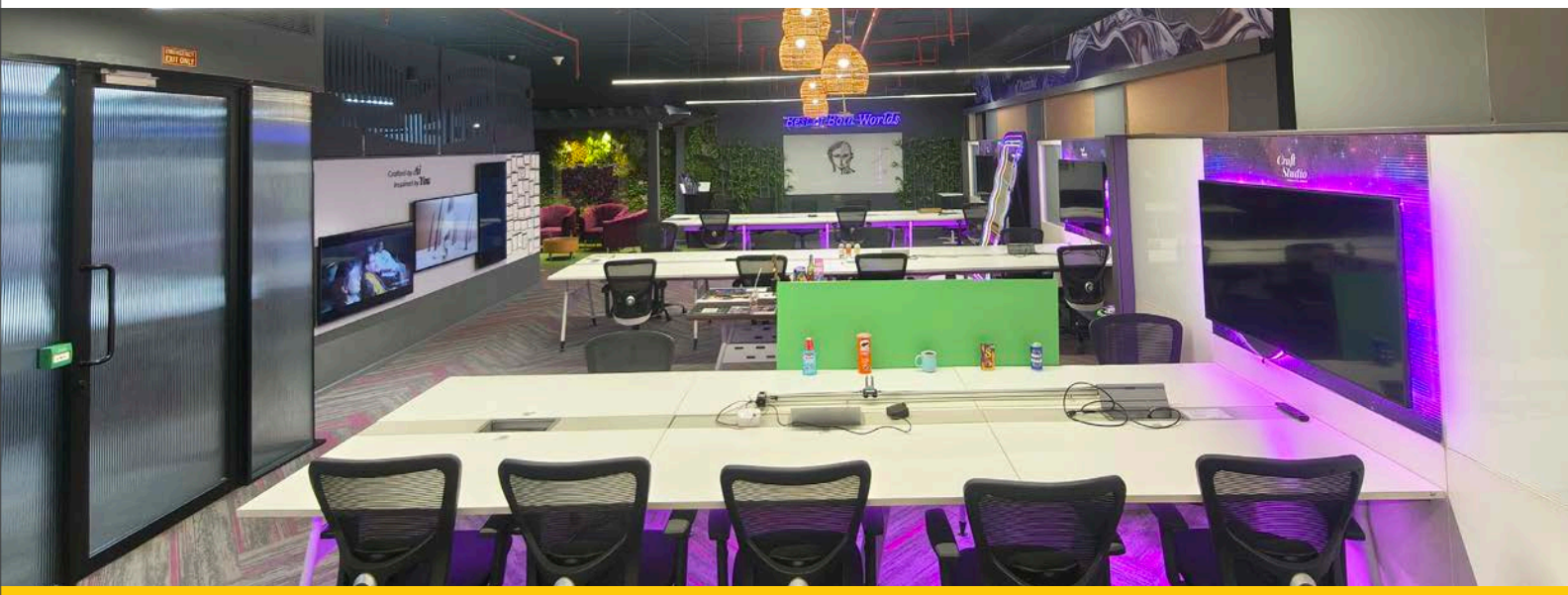
LTM helps banks and financial institutions unlock productivity, simplify complexity and create competitive advantage. By converging AI, analytics, cloud and cybersecurity with deep domain expertise, LTM enables outcome-based transformation across banking and payments.

Communications, Media & Entertainment

LTM supports media, entertainment and communications companies with AI-led innovation across content, platforms and customer engagement. Powered by MediaCube and LTM's 5C framework, it enables monetisation, cost optimisation and personalised audience experiences.

Hi-Tech & Services

LTM partners with hi-tech and professional services firms to drive innovation-led growth. LTM's AI-first engineering and Operate-to-Transform approach enables product modernisation, enhances operational efficiency and creates scalable, future-ready business models.



LTM's CraftStudio - A Creative ecosystem for the enterprise of the future

Service Lines

LTM's service offerings span the full spectrum of digital transformation and technology operations, including:

- AI-led Engineering
- Application Management Services
- BlueVerse
- Cognitive Infrastructure Services (CIS)
- Cybersecurity
- Data and Analytics
- Disruptive SaaS (DSaaS)
- Enterprise Application Services
- Enterprise Cloud Applications
- Enterprise Integration & Business Process Orchestration
- GCC-as-a-Service
- Industry.NXT
- Interactive
- Microsoft Business Applications
- Oracle
- SAP
- ServiceNow
- Voicing.AI

Alliances Partnerships & Ecosystem

LTM strengthened its global partner ecosystem across leading hyperscalers and platforms including AWS, Microsoft, Google Cloud, SAP, Oracle, Salesforce, ServiceNow and NVIDIA.

FY 2025-26 saw expanded co-innovation, strategic collaboration agreements, joint GTM initiatives, and multiple global recognitions and Partner of the Year awards across AI, cloud, data, security and industry solutions.

Business Environment

Global growth in calendar year 2026 is estimated at around 3.0%, supported by technology-led investments. However, it remains vulnerable to geopolitical tensions, trade frictions, elevated energy costs and financial market volatility. AI continues to be a key growth driver, albeit with uneven productivity gains across regions and labour markets. The global technology sector has transitioned from AI experimentation to large-scale AI industrialisation with agentic AI, platform-led services and outcome-based commercial models, reshaping the IT services landscape.

India is expected to remain one of the fastest-growing large economies, supported by resilient domestic demand and sustained public investment. From an IT services perspective, this momentum is reinforced by continued digital transformation across government and enterprises, accelerated adoption of AI, cloud and data led platforms, and India's strategic position as a global hub for technology talent and innovation.



LTM Solaris campus lobby - Bengaluru

Key Deals Won

- A global agribusiness leader selected LTM to implement an AI-driven model for application management, infrastructure support and cybersecurity services. This suite of IT services includes SAP S/4HANA, ServiceNow, Microsoft Azure and AI frameworks, and focuses on efficiency and growth, driven by vendor consolidation
- A major European financial institution selected LTM as its long-term transformation partner to migrate from a legacy system to a flagship Transaction Processing Platform, integrating GenAI and automation in the solution to accelerate delivery
- A leading US-based oil & gas major entrusted LTM with a multi-delivery contract to cater across Cloud, Data, SAP and AI services
- LTM secured a contract with a leading global media and entertainment company to drive its digital transformation and enable an AI-centric delivery model
- LTM was selected as a Strategic Partner by a global financial institution to deliver end-to-end technology and consulting services across all its lines of business, spanning multiple geographies, positioning the company as one of the five major service partners for the client
- LTM secured a contract from the Government of India's Central Board of Direct Taxes (CBDT) to transform India's PAN infrastructure
- LTM was selected as a strategic partner by a leading US insurance and financial services company for a multi-year engagement covering application management, infrastructure operations and end-user services, driven by an AI-led delivery model



LTM Office, Bengaluru

Significant Initiatives

LTM's strength is anchored around three operating models:

- **iRun** - LTM's integrated operations services suite, designed for enterprises navigating the agentic, AI-powered future of IT operations
- **iTransform** - LTM's end-to-end transformation services suite, uniting enterprise platforms, data and digital experience to deliver business creativity solutions and help organisations build the enterprise of the future
- **Business AI** - Bringing business creativity to AI through a holistic approach to AI-native enterprise transformation

Key Developments & Achievements

During the year, LTM saw accelerated adoption of Agentic AI and GenAI solutions across industries, alongside the expansion of industry-specific AI offerings and autonomous workflows. The company successfully executed several large digital transformation and modernisation programmes for global clients, reinforcing its execution capabilities. These efforts were further complemented by strong global brand visibility, driven by active participation in partner events and industry forums.

Outlook

According to NASSCOM, India's technology sector is projected to exceed USD 315 billion, with employment reaching around 6 million, driven by specialised skills and strong growth in the ER&D segment of the market.

Economic and industry conditions in FY 2026-27 are expected to remain challenging. LTM's focus on AI, partnerships and disciplined execution is expected to support sustainable growth and long-term client value.



Hands-on EMI evaluation in the lab situated at LTTS Mysuru

L&T Technology Services

Overview

L&T Technology Services (LTTS) is a global leader in AI, Digital and ER&D Services, operating in more than 25 countries with an annual revenue run rate exceeding USD 1.22 billion. The company partners with 69 Fortune 500 companies and 57 top ER&D companies to design, develop and deliver transformative products and platforms that drive the next wave of industrial and technological innovation. Headquartered in India, LTTS has over 23,800 employees spread across 22 global design centers, 31 global sales offices and 98 innovation labs as at March 31, 2026.

LTTS combines its engineering heritage with digital technologies and AI to turn bold ideas into real-world solutions. From smart, connected products and software-defined systems to next-generation factories that are intelligent, efficient and sustainable – the company enables enterprises to reimagine how they build, operate and scale. The company's deep domain expertise across its focus segments – Mobility, Sustainability and Tech – combined with a strong culture of innovation, allows the company to consistently deliver outcomes that redefine industry benchmarks.

As part of its strategic evolution, LTTS is doubling down on enterprise-focused segments across manufacturing, industrial and technology-led sectors, aligning closely with global shifts towards digital engineering, automation and sustainability-led transformation. Under the Lakshya 31 plan, LTTS will sharpen its focus across technology initiatives, including Software & AI, Plant Build Out & Modernisation, Energy, Automation / Digital Manufacturing, Next-Generation Compute, Software Defined Mobility and MedTech. Combined with its 'Pivot on Growth' strategy and Engineering Intelligence (EI) approach, the move is designed to accelerate growth across its three core segments, while reinforcing the company's position as a global engineering partner of choice.

The company, post the divestment of its Smart World & Communication (SWC) business will enable a reallocation of capital towards high-growth areas. This underscores LTTS's continued commitment to continue investing in future-ready capabilities that are key to driving scalable growth, deepening client impact and unlocking new value across industries.

Mobility

LTTS continues to drive the next frontiers of innovation across the global mobility landscape, combining deep engineering expertise, cross-domain knowledge, and a globally distributed and diverse talent base. The company



Wireless system development in progress in the EV Wireless Lab situated at LTTS Bengaluru

leverages its ability to cross-pollinate ideas across industries to address evolving client requirements and accelerate transformation across its Mobility segment.

Operating across Automotive, Aerospace Engineering, Rail Transportation and Trucks & Off-Highway Vehicles, LTTS partners with leading global OEMs and Tier 1-s to develop differentiated products, solve complex engineering challenges and enhance end-user experiences, while advancing safety, performance and sustainability outcomes. Building on its strong legacy of engineering excellence, LTTS offers a comprehensive suite of end-to-end services spanning design, development, sourcing and manufacturing engineering. This enables clients to minimise time-to-market, optimise costs and navigate increasing product complexity in a rapidly transforming mobility ecosystem.

LTTS remains at the forefront of next-generation mobility trends, actively leveraging advanced technologies such as AI and GenAI to drive innovation at scale. The company is playing a pivotal role in shaping emerging paradigms such as Software-Defined Vehicles (SDVs), electrification and hybrid propulsion systems, including e-powertrains.

Its strategic focus in the domain is reflected in LTTS's continued investments and focused execution across vehicle engineering, software-defined mobility and electrification – positioning the company as a key enabler for next-generation mobility.

Sustainability

LTTS enables its clients across industries to accelerate the adoption of smart, sustainable and compliant processes that deliver measurable business value while advancing environmental and societal outcomes. Anchored in its deep expertise across discrete manufacturing and industrial products and process manufacturing, the company combines decades of ER&D excellence with strong IT-OT convergence and cross-domain capabilities to deliver scalable, future-ready solutions.

Leveraging its robust global delivery model and rapid adoption frameworks, LTTS supports enterprises in navigating increasing regulatory complexity, optimising resource efficiency and embedding sustainability across the value chain. This integrated approach enables clients to enhance operational resilience, reduce environmental impact and unlock new value streams in an evolving industrial landscape.

Aligned to a triple bottom line framework, the company focuses on enabling next-generation net-zero operations, driving transformation across key sustainability pillars, including clean water and sanitation, affordable and clean energy, sustainable industrialisation and infrastructure, responsible consumption and production, and climate action. Its comprehensive portfolio covers Project Engineering (brownfield and greenfield), Sustainable Manufacturing, Plant Modernisation and Automation,



Advancing software-defined endoscopy at LTTS Bengaluru

Digital and Smart Technologies, Product Engineering, Energy Transition, and Manufacturing Modernisation, combined with Alt+Shift platform-led solutions.

Tech

Amidst rising demand for complex software-driven products across an increasingly connected and high-performance device ecosystem, coupled with evolving regulatory requirements and heightened cybersecurity risks, LTTS enables global enterprises to design and deliver differentiated, secure and intelligent digital experiences.

Leveraging its deep expertise in AI and GenAI – supported by a robust intellectual property portfolio, including 237 patents – along with a proven track record of engineering excellence and cross-vertical capabilities, LTTS enables enterprises accelerate product innovation, minimise time-to-market, and optimise end-to-end product life-cycles with greater efficiency and reliability. The company serves leading organisations across Hi-Tech, MedTech and Software & Platforms.

LTTS engineers next-generation solutions across the entire product life-cycle, embedding AI-driven intelligence into engineering, operations and user experiences. The company's capabilities span silicon engineering, including SoC design, VLSI and AI/HPC systems; device engineering, covering end-to-end product development, embedded software and systems, and new product introduction (NPI) and derivatives; platform engineering, focused on data and Gen AI-led intelligent platforms; and digital engineering, encompassing cloud, connectivity and cybersecurity for modern, connected enterprises. It also plays a key role in driving large-scale system integration and turnkey programme execution across software and systems, enabling scalable, secure and smart solutions.

Its integrated, platform-led approach positions LTTS as a strategic partner for enterprises navigating the convergence of software, hardware and AI in a rapidly evolving technology landscape.

Business Environment

The global ecosystem has witnessed heightened uncertainties, driven by continuing geopolitical stresses, persistent macroeconomic volatility and an evolving regulatory landscape. At the same time, enterprises are being called upon to contend with tightened cost structures, fragmented supply chains and an accelerated pace of technological disruption.

Despite these challenges, business momentum continues to be supported by structural tailwinds. With the global ER&D industry projected to grow at approximately 8-9% CAGR, engineering spend is expected to rise steadily across sectors, exceeding USD 2.5 trillion by 2030. This growth is driven primarily by continued momentum across software and allied services, telecommunications and semiconductors – highlighting a shift towards more software-defined, intelligent and connected products.



LTTS Patent Wall

The growing focus on digital engineering, AI and sustainability, especially across automotive, industrial products and high-tech sectors, is accelerating enterprise investment cycles. In Mobility, for instance, electric vehicles are expected to account for 25% of global automotive sales by 2030, signaling a fundamental transformation in product design and manufacturing ecosystems. Amidst these opportunities, India continues to strengthen its role as a global ER&D hub, with offshoring projected to grow at nearly 22% CAGR, driven by a deep pool of engineering talent, cost advantages and a rapidly maturing innovation ecosystem.

Within this evolving landscape, LTTS enters the year with a focused and future-ready strategy. The Company's "Pivot on Growth" and Lakshya framework prioritise expansion across future mobility, sustainable industrial operations and automation, alongside technology-led sectors including MedTech, software/platform engineering, digital engineering and semiconductors. These priorities are reinforced by cross-cutting capabilities in AI, embedded systems and Global Capability Centre (GCC) services, enabling scalable and integrated client engagements.

While the United States and Europe remain core markets, regions such as Japan, West Asia and India are emerging as important growth centres, driven by local innovation requirements and increasing investments in engineering capabilities.

The overall operating environment continues to remain complex, with emerging macroeconomic pressures, geopolitical uncertainties and increasing localisation of data and technology regulations shaping decision-making. Competitive intensity remains high, with ER&D spends becoming more distributed.

Major Achievements

During the year, LTTS sustained its momentum as large deal wins delivered an average TCV of ~ USD 200 million for six consecutive quarters. The company's position as an ER&D services leader was reaffirmed through its USD 100 million marquee deal with a US-based industrial equipment manufacturer catering in the semiconductor value chain. The company also closed a strategic partnership with a leading global energy major to be its engineering services and technology partner for its Digital Expertise Centre in India for about 500 engineers worth USD 75 million, two USD 50 million plus engagements, one over USD 40 million, and three projects valued at more than USD 30 million.

Key Deal Wins

Mobility

- LTTS secured a large multi-million-dollar engagement from a global luxury OEM, covering infotainment system engineering across multiple product domains, and assessment and assurance of telematics modules.



AR & VR Walkthrough

- An American manufacturer of off-highway equipment selected LTTS to set up a centre of excellence focusing on new product design, digital engineering, software and power electronics and manufacturing sustenance.
- A satellite technology company awarded LTTS a significant deal for software design, development and embedded engineering for airborne systems.

Sustainability

- A marquee USD 100 million plus, multi-year agreement, with a US-based industrial equipment manufacturer catering to the semiconductor value chain to support initiatives across new product development, sustenance engineering, value engineering and platform automation.
- A USD 75 Million plus strategic partnership with a leading global energy major to be its engineering services and technology partner for its Digital Expertise Centre in India for about 500 engineers.
- A USD 50 Million plus agreement with a Global Energy Major for enterprise data and digital services.
- A multi-year programme with a leading American LNG producer for detailed engineering for the client's liquefaction and export facility.

Tech

- A USD 60 million multi-year agreement with a US-based provider of wireless telecommunications services to deliver advanced network software development and application engineering solutions.
- A multi-year engagement with a leading global semiconductor platform provider to consolidate advanced lab support operations at a US campus. The engagement will enable streamlined validation, platform bring-up and post-silicon activities across multiple product lines.
- A leading scientific institution has awarded LTTS to provide an advanced AI-powered integrated ICT solution for fire-safety, IoT integration and smart automation.

Competitive Positioning

LTTS continues to strengthen its competitive edge in the ER&D services domain. The company's consistent financial performance and strategic initiatives have earned strong recognition from leading analysts and industry bodies.

LTTS has been recognised as a Horizon 3 Market Leader by HFS Research in both the Engineering Research and Development Service Providers 2025 assessment and the HFS Semiconductor Horizons 2025 report.

LTTS has also been rated as a Leader in Digital Engineering Services 2025 by Avasant and recognised among CII's Top 20 Most Innovative Companies.

These recognitions underscore LTTS's continued leadership as an ER&D industry bellwether.

At LTTS, AI continues to be integral across the end-to-end engineering and product life-cycle, including SDLC & PDLC, PLM, embedded, system engineering,



Engineers work in LTTS's Electrification & Prototype Center in Peoria, USA

manufacturing and industrial operations. The approach enables intelligent products, connected ecosystems and step-change productivity gains for clients across industries and geographies.

The company's competitive leadership is highlighted in its sustained strong momentum of large deal wins, delivering an average TCV of approximately USD 200 million across six consecutive quarters. This momentum underscores the sustained trust and confidence from its 400+ strong global clientele across industries and segments.

Innovation continues to be a key pillar of LTTS's differentiation. As of Q4 FY26, the company had filed 1,706 patents, including 237 in AI and Gen AI. Further strengthening its AI ecosystem, LTTS has announced partnerships with SiMa.ai and NVIDIA. The company is also advancing targeted internal R&D initiatives in Agentic AI – focusing on building autonomous systems that drive enhanced automation, enable intelligent operations and support decision-making across evolving engineering environments.

Significant Initiatives

The key initiatives launched by LTTS during the year include:

- A state-of-the-art Engineering Design Center in Plano, Texas, focusing on AI, digital manufacturing and cybersecurity
- ODC inaugurations in Vadodara, Mysore and Pune to support global clients with advanced engineering solutions, catering to industries like FMCG, energy and automation, and automotive
- Partnering with MIT Media Lab to drive AI-led innovations across Mobility, Sustainability and Tech – exploring transformative solutions like Agentic AI and sustainable systems redefining industry paradigms
- Collaborating with SiMa.ai to develop AI-driven solutions in mobility, healthcare and robotics
- LTTS, in association with ISG and CNBC-TV18, hosted the fourth edition of the Digital Engineering Awards in Boston, USA. The event saw 250+ nominations from 17 countries, spanning Physical AI, Digital Engineering, Sustainability
- The company showcased flagship Industrial AI and Digital Twin solutions including Lights-Out Factory for manufacturing and Lung Digital Twin platform for healthcare sector at the globally recognised NVIDIA GTC event in March 2026

Outlook

Amidst a dynamic and evolving global business environment, LTTS continues to leverage its proven expertise in engineering and digital innovation. With India strengthening its position as a global ER&D hub, LTTS is well positioned to capitalise on expanding offshoring opportunities and rising domestic innovation-led investments.



LCC40 Connectivity Module, a compact cellular connectivity solution engineered for real-world IoT applications

Globally, LTTS continues to benefit from its diversified geographic presence, supported by increasing demand across from large-scale investments in energy, smart infrastructure and industrial transformation, particularly in the United States, Europe and Japan. The company's growth outlook remains balanced and resilient, supported by increasing engineering intensity across industries.

The operating environment, however, remains complex. Persistent macroeconomic uncertainties, geopolitical developments, evolving regulatory frameworks and supply chain realignments continue to influence enterprise spending and decision cycles. Additionally, rapid advancements in AI, software-defined systems and cybersecurity are reshaping client expectations, with intensifying competition from global ER&D players and GCCs. However, evolving talent dynamics – including wage inflation in niche digital capabilities and skill availability – may exert near-term pressures.

LTTS's global delivery model, offshore leverage and increasing adoption of automation and AI-led engineering are expected to enhance operational efficiency and sustain its competitive edge. Pivoting on EI, the company is well positioned to capture emerging opportunities driven by the accelerating shift towards software-defined products, electrification, sustainability and AI-led engineering.

L&T Semiconductor Technologies Limited

Overview

L&T Semiconductor Technologies Limited (LTSCT), a wholly-owned subsidiary of Larsen & Toubro Limited, was established in November 2023 with a vision to build a globally competitive Indian semiconductor capability. LTSCT aims to drive innovation across critical domains while strengthening the country's role in the global semiconductor value chain.

LTSCT aspires to emerge as India's leading fabless semiconductor product organisation, delivering differentiated, high-performance solutions to customers worldwide. The platform-led, IP-driven business model ensures end-to-end ownership, faster innovation, and scalable, reusable IP generation.

LTSCT's business is structured as six product-centric business units, aligned to Mobility, Industrial, Energy and Data Center sectors.

- **Power Delivery & Motion Control** — Enabling electrification and intelligent control through onboard chargers, safety ICs, smart actuators and edge controllers for automotive and industrial applications
- **Communication Solutions / RF** — Powering seamless connectivity through IoT modules, RFICs and secure



LTSCT Testing Lab, Japan

silicon solutions, forming the backbone of connected automotive and industrial ecosystems

- **Power Conversion & Motor Drives** — Delivering high-efficiency power solutions including high-throughput USB-C charging, advanced power delivery systems and motor controllers for industrial systems such as HVAC and cooling infrastructure
- **High Power Products** — Driving compound semiconductor-based next-generation power architectures through advanced power modules, gate drivers, hot-swap controllers and DC-DC converters, enabling high-efficiency energy systems and hyperscale data center infrastructure
- **Automotive Compute** — Engineering intelligent mobility platforms with IVI systems, Cluster SoCs, ADAS and Vision SoCs, addressing the rapidly evolving landscape of software-defined and autonomous vehicles
- **Datacenter Compute** — Spearheading the development of custom AI ASICs and xPU platforms, purpose-built for sovereign AI and next-generation data center workloads — a rapidly advancing frontier within LTSCT's portfolio

LTSCT maintains a global commercial presence across India, the United States, Europe and Japan, with R&D and operations hubs in Bengaluru and Noida, supported by a supply chain ecosystem in Taiwan.

A state-of-the-art, certified testing laboratory and experience centre in Bengaluru reinforces LTSCT's end-to-end design-to-validation capabilities, while Japan is developing into a strategic hub for power module packaging.

The organisation is supported by 430+ professionals, including more than 300 semiconductor design experts across power, analog/mixed-signal, RF, compute and advanced packaging, along with a strong product management and sales function.

Business Environment

The global semiconductor industry is projected to reach ~USD 1 trillion by 2030, growing at a CAGR of 8-10%, driven by megatrends including AI, data centers, electrification, industrial automation and connectivity.

India is emerging as one of the fastest-growing semiconductor markets globally. The domestic market is expected to expand from ~USD 25-30 billion to USD 110 billion by 2030. With domestic manufacturing penetration at less than 10%, the expected growth presents a significant opportunity for indigenous, design-led semiconductor companies.

LTSCT's product roadmap is strategically aligned to four high-growth domains:

Energy

The global power semiconductor market is expected to grow rapidly, supported by the expansion of renewable energy (RE), grid modernisation, increased deployment of



Semiconductor Testing Lab

energy storage system (ESS) and adoption of Wide Band Gap Semiconductors (SiC and GaN). Global RE capacity is projected to triple to ~11 TW by 2030, significantly accelerating demand for high-efficiency power conversion technologies.

LTSCT's capabilities in High Power Products – including IGBT and SiC-based power modules, gate drivers, DC-DC converters – position the company to address critical applications such as solar inverters, battery energy storage systems and grid infrastructure, where efficiency, thermal performance and reliability are key differentiators.

Industrial & Consumer Electrification

The industrial semiconductor market, including power electronics and motor control segments is expanding at CAGR of 8-12%, driven by increased industrial automation, smart infrastructure development, HVAC growth and the electrification of appliances.

Global smart meter rollouts are gaining traction while the rapid adoption of BLDC motors across appliances, standardisation mandates for UAFX and USB-C interfaces, is generating large-scale semiconductor demand.

LTSCT is addressing this opportunity through its portfolio of power conversion and motor drives communication modules (Industrial IoT), enabling high-volume, scalable deployment across both industrial and consumer ecosystems.

Mobility

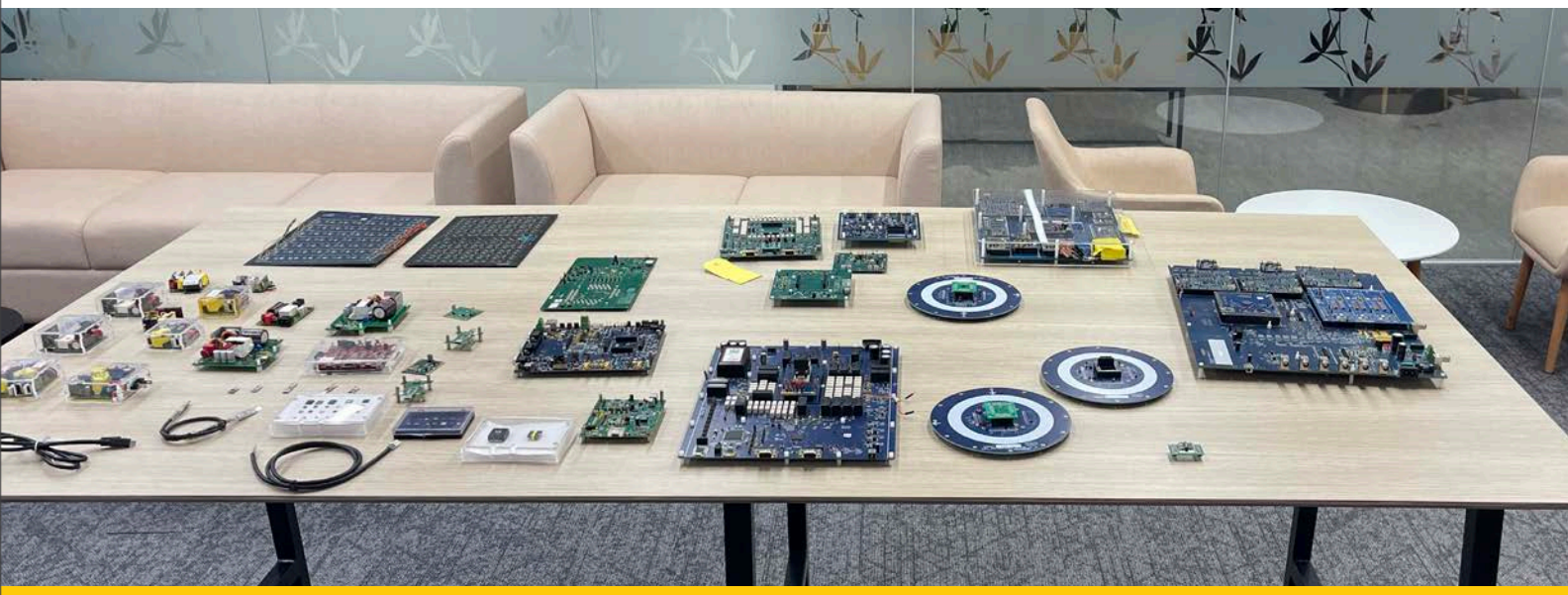
The global automotive semiconductor market is projected to grow at CAGR of ~10-12%, driven by rapid EV adoption, ADAS proliferation and the transition towards software-defined vehicles (SDVs). Semiconductor content per vehicle is expected to increase by 2-3x in EVs compared to ICE vehicles, with premium vehicles having nearly USD 1,800 of semiconductor content per unit.

LTSCT is well positioned to capitalise on this structural growth with a comprehensive portfolio spanning Automotive Compute (IVI, Cluster SoCs, ADAS), communication modules, power delivery solutions including onboard chargers, and SiC-based power modules for EV powertrains, enabling participation across the compute, connectivity and power layers of the automotive electronics stack.

Data Center & AI

The data center and AI semiconductor market is among the fastest growing segments, projected to expand from ~USD 50-70 billion in 2023 to ~USD 250-300 billion by 2030, driven by hyperscaler capital expenditure, generative AI workloads and sovereign AI initiatives. Global data center investments are expected to exceed USD 300 billion annually by the end of the decade.

LTSCT is building a strong position through its data center compute portfolio (including custom ASICs and xPU



LTSCT Experience Centre

platforms for sovereign AI workloads), complemented by power delivery solutions such as point-of-load (POL) converters and hot-swap controllers, enabling participation across both compute and power infrastructure layers of next-generation AI data centers.

Major Achievements

FY 2025-26 was a pivotal year for LTSCT, marked by its transition from a development stage organisation to a commercially active semiconductor company with a growing market presence. The year's achievements reflect LTSCT's evolution into a product driven enterprise, establishing a solid foundation for sustainable growth and stronger customer relationships.

During the year, LTSCT achieved several important milestones that underscored this transition and strengthened its commercial and operational positioning, including the following:

- First commercial product shipments were made by the delivery of power modules to a leading Japanese customer, signalling the company's formal entry into product operations
- This was complemented by the onboarding of strategic design service engagements with a U.S.-based power electronics company, further strengthening its global customer base
- LTSCT also secured landmark development and supply agreements across key sectors. These included the award of a Camera System-on-Chip (SoC) programme with a leading domestic industry player and a SiC-based power module solution for an RE company demonstrating the company's growing relevance across industrial and energy applications
- Launched Communication Modules SAC20 and LCC40, designed for two-wheeler automotive applications and industrial use cases such as smart meters and POS systems, respectively
- In parallel, the company continued to build a robust global proposal pipeline, with multiple opportunities progressing through advanced stages of technical and commercial evaluation — reflecting early market validation of its product roadmap and increasing customer confidence
- On the ecosystem front, LTSCT strengthened its long-term execution capabilities through strategic partnerships and enhanced supply chain alignment

Product Development

- Demonstrated USB-C charging solution to key customers, receiving positive validation, with production deployment underway through ecosystem partners — marking a significant step towards scalable adoption in power delivery applications



LTSCT serves the Energy, Industrial, Data Center & AI and Mobility sectors

- Development of power modules for applications such as HVAC and Industrial Robotics Systems, leveraging capabilities augmented through the acquisition of power module technology from Fujitsu General Electronics
- LTSCT acquired Fujitsu's power module technology, adding qualified products and advanced packaging expertise, significantly reducing time to market for high power applications

Technology Initiatives and Collaborations

Reinforcing its position as a key contributor to India's semiconductor and digital infrastructure ambitions, LTSCT advanced multiple strategic collaborations during the year.

- Formed a co-development partnership with HYS for SiC wafers reinforcing LTSCT's position in high-power semiconductor technologies
- Collaboration agreement with Andes Technology for the deployment of RISC-V processor platforms marking a key step towards building in-house compute capabilities and IP ownership
- Partnership with BharatGen for the creation of sovereign AI infrastructure aligned with sector-specific workloads and LTSCT's custom AI silicon vision
- Recognised as India's first UID-certified semiconductor company, enabling trusted, identity-linked solutions for critical applications

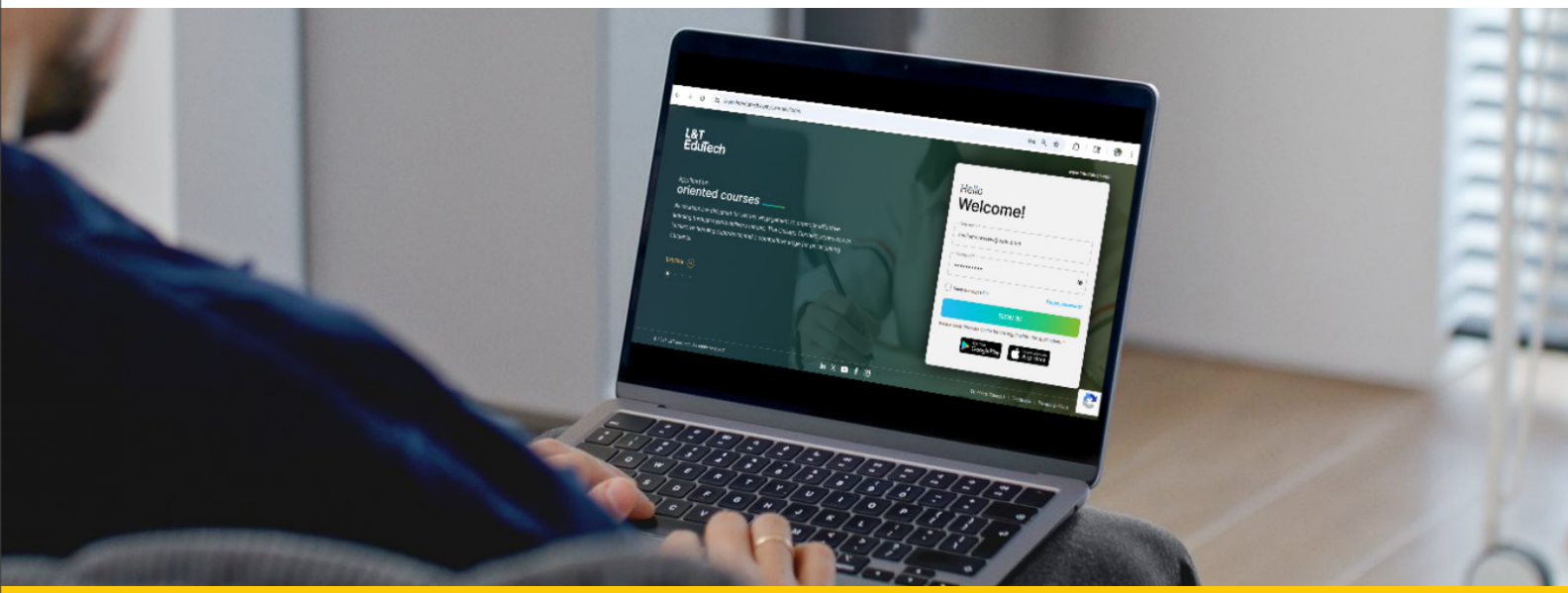
Outlook

Operating within a complex, globally interdependent fabless semiconductor ecosystem, LTSCT is building a resilient, execution-focused operating model to address supply chain dependencies, long product development cycles and geopolitical risks, while maintaining speed and scalability.

The company follows an application-led strategy, leveraging strong engineering talent to deliver energy-efficient solutions across Mobility, Industrial, Energy and Data Center markets. Its execution-first technology roadmap prioritises mature nodes for faster commercialisation, supported by IP-led growth through partnerships, targeted acquisitions and early customer co-development to reduce execution and adoption risks.

A diversified, multi-geography supply chain strategy underpins operational resilience, while investments in AI-enabled design, EDA automation and sovereign AI platforms — supported by strong governance, cybersecurity and financial risk management frameworks — position LTSCT for sustainable, future-ready growth.

LTSCT enters FY 2026-27 with strong operational momentum, a well-defined product execution roadmap and a favourable market tailwind, supported by a combination of India-anchored talent, government policy alignment and an expanding global customer reach. LTSCT remains focused on realising its ambition to become India's premier fabless semiconductor product company and a significant participant in the global semiconductor value chain.



L&T EduTech, Building value for learners, academia and industry

L&T EduTech

Overview

L&T EduTech is an education technology initiative of the Company that delivers industry-aligned, application-oriented learning and skill development solutions for students pursuing higher education and working professionals. The business partners with universities, colleges, corporates, channel partners and government agencies to help bridge the skill gap between academia and industry.

Leveraging the Group's domain expertise, L&T EduTech offers scalable hybrid education models across core engineering and IT disciplines. The company provides integrated learning, assessment and certification solutions through its proprietary digital platforms, enabling learner-centric and outcome-driven education experiences.

L&T EduTech's offerings are supported by a digital backbone comprising a Learning Management System (LMS), AI-enabled practice and lab environments, auto-proctored assessment engines, and recruitment and certification platforms.

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

College Connect

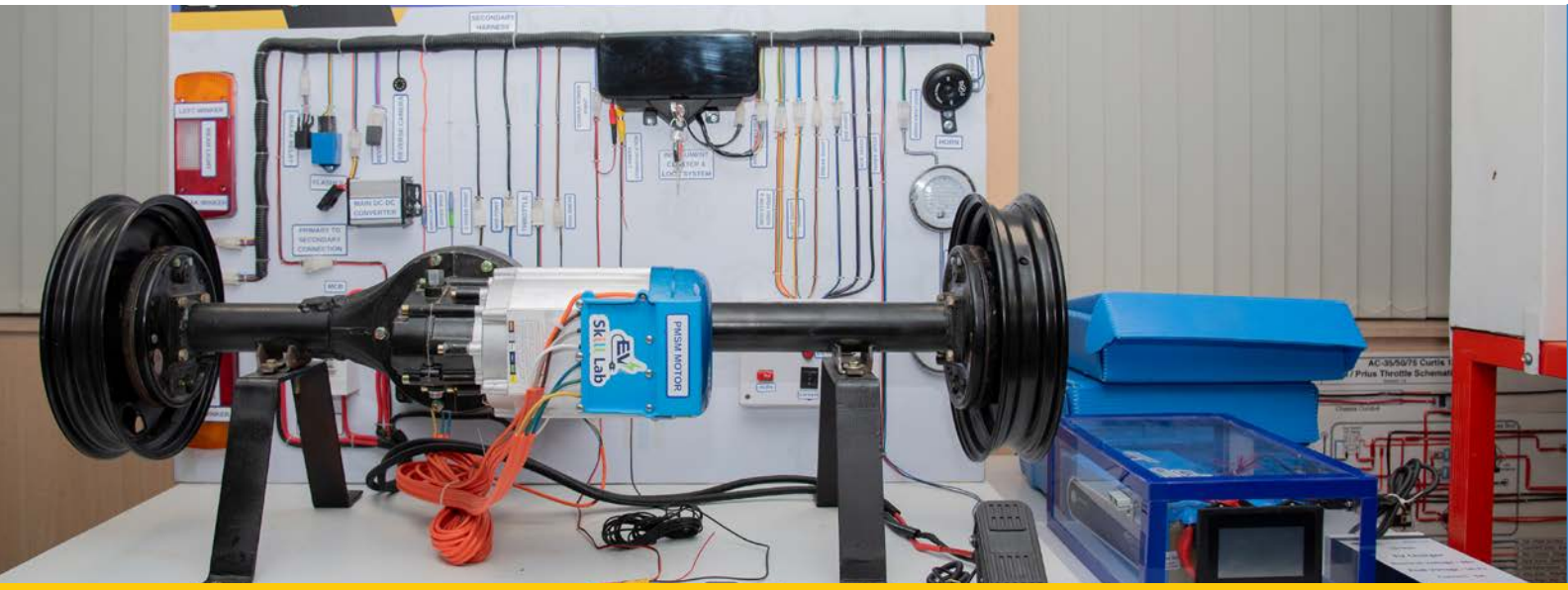
The College Connect vertical focuses on transforming higher education by delivering industry-led and application-oriented academic programmes. It offers specialised -skill-based learning and assessment solutions and delivers curriculum-integrated multidisciplinary programmes aligned with the National Education Policy 2020 (NEP 2020), which emphasises holistic, multidisciplinary and skill-based education. Faculty development, industry immersion and experiential learning programmes are also provided by this vertical.

These programmes are designed to improve graduate employability and learning outcomes by embedding real-world industry relevance within academic curricula.

Enterprise Skilling

The Enterprise Skilling vertical provides upskilling and reskilling solutions for entry-level to mid-career professionals across core engineering and IT domains. These offerings help organisations build future-ready talent at scale through:

- Structured, role-aligned skilling programmes featuring hands-on practice labs, guided problem-solving, and real-world, industry-relevant projects



L&T EduTech EV Skill Lab

- Auto-evaluated assessments and analytics to continuously track skill acquisition, competency progression and learning outcomes
- Integrated talent development programmes tailored for enterprises, seamlessly aligning workforce capabilities with business objectives

The vertical supports workforce transformation initiatives for corporates across multiple sectors.

Assessment & Certification

The Assessment & Certification vertical focuses on evaluating skills for future employability and workforce readiness. It offers skill assessments for fresh graduates that are endorsed by corporates and provides certifications aligned with industry standards. The business also delivers large scale, secure and AI enabled assessment services for academic institutions, corporate clients and government organisations.

Business Environment

India's ed-tech sector continues to expand, driven by increased digital adoption, government-led skilling initiatives and growing industry demand for job-ready talent. Hybrid learning models, automation and AI-led personalisation are reshaping higher education and enterprise training ecosystems.

Key opportunity drivers include an increasing focus on skill based hiring over traditional degree based credentials, growth in digital and blended learning adoption, rising demand for scalable assessments and certifications, and strong government led skilling and vocational initiatives.

These trends position L&T EduTech favourably to scale its integrated learning and assessment offerings.

Major Achievements

- The higher education user interface was upgraded with a mobile-first design, enhanced engagement dashboards and leaderboards
- Real-time AI-based coding guidance was implemented on the SOLVE platform to enhance learner practice outcomes
- An Electric Vehicle & Emerging Technology Experience Hub was launched at the Chennai headquarters
- The AI Lab was launched as a new offering by integrating the SOLVE platform with LMS at Shri Ramswaroop Memorial University in Lucknow, Uttar Pradesh
- AI-led platform upgrades were deployed, including smart proctoring, assisted interviews, an AI question generator and Individual Development Plans (IDPs)
- Integrated academic programmes were expanded to more than 60 institutional customers nationwide



L&T-SuFin, India's first online business platform for industrial and cosntruction products, integrated with finance and logistics options

- Phases 7 and 8 under the Naan Mudhalvan scheme were delivered to more than 7,500 learners
- The Tamil Nadu Directorate of Employment and Training (TN DET) vocational skilling programme was executed for approximately 10,000 construction workers
- L&T EduTech achieved NEBOSH Gold Learning Partner certification for safety programmes

Outlook

The outlook for FY 2026-27 and beyond remains positive, supported by rapid growth in skill based education and hiring, rising demand for skilling in AI, data science, cybersecurity and emerging technologies, and continued government focus on education and skilling reforms. Key policy and programme enablers include the NEP 2020, the Pradhan Mantri Kaushal Vikas Yojana and the Digital India initiative.

With strong institutional partnerships, a diversified product portfolio and continuous platform innovation, L&T EduTech is well positioned for sustained growth and scalability in the medium-term.

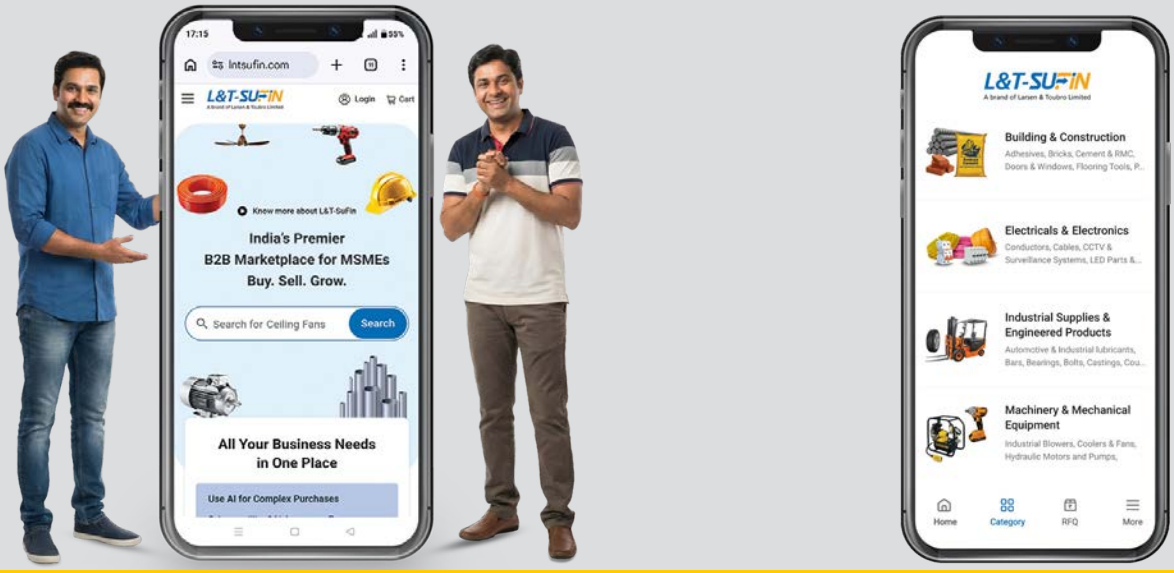
L&T-SuFin

L&T-SuFin is a B2B digital marketplace platform. The platform, launched in March 2022, enables buyers and sellers dealing in industrial and construction goods to connect in an efficient and transparent manner. The platform allows sellers to expand their sales reach and buyers to find the right products at an optimal cost and quality. The platform offers a wide product range including industrial supplies and consumables, building and construction materials, electrical and electronics equipment, machinery and mechanical equipment, packaging, printing and office supplies, and more.

The domestic B2B e-commerce market in India is witnessing rapid expansion, with the market expected to reach over USD 200 billion by 2030. Growth is driven by global supply chain realignments, including the 'China Plus One' strategy, increasing SME digitalisation, and India's emergence as a key global manufacturing and consumption hub.

L&T-SuFin operates as a one-stop shop from discovery to delivery. The strategy hinges on three pillars:

- **Discovery:** Enabling buyers to discover suppliers, products and competitive pricing, while providing sellers with expanded market reach through a seamless digital interface accessible via web and mobile applications



L&T-SuFin Mobile App and Buyer App

- **Financing:** Offering secured and unsecured working capital solutions to MSMEs through partner NBFCs and banks and thereby bridging trade credit gaps
- **Counterparty Trust:** Reducing counterparty risk and expanding market reach through a proprietary AI driven due diligence model that awards a 'Trust Seal' to buyers and sellers

L&T-SuFin has catalogued over 8 lakh stock keeping units (SKUs) across 51 product categories that address the needs of the industrial and construction sectors. The business has onboarded 70,000+ buyers and sellers on to the platform. Further, the business has crossed Gross Merchandise Value (GMV) of ₹ 8,000 crore in FY 2025-26.

During the year, the business has expanded its category coverage, strengthened financing offerings and introduced new avenues of income, such as Fabrication as a Service (FaaS) and services for large corporates. The company recorded strong growth, with GMV more than doubling, driven by financing-led transactions, seamless technology integration across buyers, sellers and relationship managers (RMs) through applications, and expanded supplier participation.

The business has undertaken several initiatives to catalyse growth and support further scaling including:

- Scaling assisted digital commerce through a call centre-led model, resulting in higher, improved customer acquisition and better conversion rates
- Launch of the RM application, enabling seamless stakeholder management and enhancing field force productivity and operational efficiency
- Expansion into high-growth categories such as solar and accessories, unlocking new business opportunities and deeper penetration into Tier II and Tier III markets
- Launching of servicing for corporate customers, addressing supply chain constraints for large OEMs

With a view to providing focused attention to the e-commerce platform, previously operated as a division within L&T, the business has been carved out into 'SuFin Limited', a wholly-owned subsidiary of L&T, with effect from April 1, 2026.

In FY 2026-27, the business plans to scale GMV, driven by increased traction across both SME and institutional segments, supported by deeper market penetration and customer acquisition.

The business expects margin accretion by increasing the contribution of higher-margin product segments such as the sale of own and partner brands and FaaS, the expansion of the call centre-led digital commerce model, and the growth in secured financing offerings.



Hyperscale Data Center, Sriperumbudur, Tamil Nadu

Data Center and Cloud Services Business

Overview

The Company's Data Center and Cloud Services business, branded Larsen & Toubro Vyoma, provides colocation, cloud infrastructure, AI-ready compute and managed services. Operations are supported by high-density, AI-ready data centers designed to meet stringent requirements for availability, security, energy efficiency and compliance with applicable regulatory standards.

Larsen & Toubro Vyoma is focused on developing a sovereign digital infrastructure platform in India, spanning hyperscale-grade data centers, cloud infrastructure and GPU-based AI solutions. Its facilities are designed using architectures comparable to global hyperscalers, with configurations aligned to platform-specific workloads.

The business emphasises data sovereignty, scalability and cost efficiency, supported by targeted investments in technology platforms, infrastructure and human capital. Competitive positioning remains dependent on execution capabilities, operational reliability and disciplined capital allocation. The business also offers GPU-based cloud services for AI, deep learning and high-performance computing workloads, with utilisation and returns influenced by customer adoption and competitive pricing conditions.

Business Environment

India's data center and cloud market continues to expand, supported by digital adoption, enterprise digitalisation, migration of workloads to cloud platforms and increasing deployment of AI-enabled applications. Demand is further shaped by AI, IoT and 5G-driven use cases, alongside a growing emphasis on sustainability and energy efficiency.

Overall domestic data center capacity is expected to increase over the medium-term, led by investments from hyperscalers and domestic participants. The growth of GPU-intensive workloads is driving demand for facilities with higher power density and advanced cooling solutions. Industry development is influenced by data localisation requirements, power and network availability, and integration of renewable energy (RE) sources, while project execution remains subject to regulatory approvals and broader infrastructure-related constraints.

Competitive Positioning

Larsen & Toubro Vyoma continues to expand its presence through phased capacity creation, partnerships and capability enhancement, leveraging the Company's engineering and project execution strengths and integrating RE solutions.

During 2024, business commenced colocation operations with the commissioning of the Panvel Data Center (2 MW). In FY 2025-26, 24 MW of the planned 30 MW at the Chennai Data Center has been commissioned, with the remaining 6 MW at an advanced stage of commissioning.



High-density AI-optimised Racks at Larsen & Toubro Vyoma's Data Center

The facility is designed to support higher-density, AI-ready workloads, including GPU-based applications. Customer onboarding is underway, with utilisation expected to ramp up progressively.

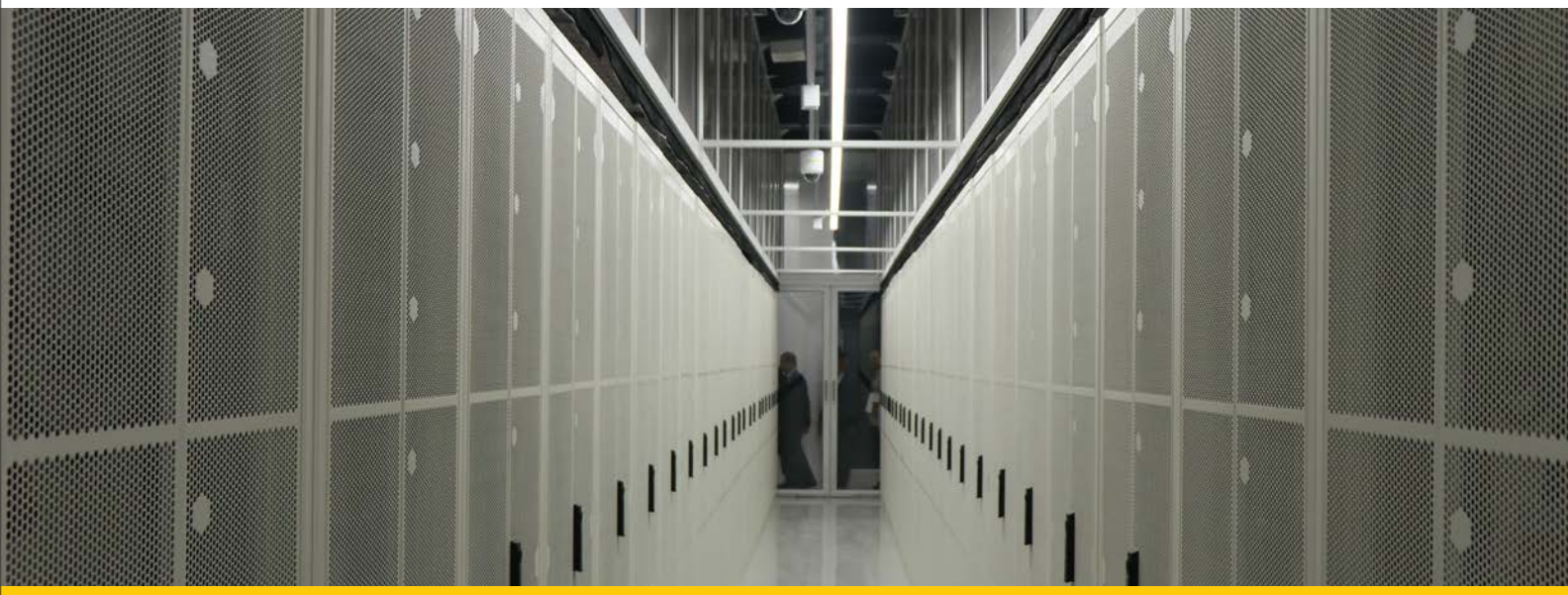
By combining complementary capabilities, the partnership with E2E Networks supports the development of a cloud ecosystem aligned with India's 'Make in India' vision, enabling production-grade traditional CPU workloads and GPU-led GenAI innovation within the country.

Strategic Business Plan

As of FY 2025-26, Larsen & Toubro Vyoma's operational capacity stood at 26 MW across Chennai and Panvel. The company is developing a 36 MW AI-ready green data center at Mahape, Navi Mumbai, scalable up to 100 MW over the next three years. The project is aligned with the Company's sustainability objectives and long-term digital infrastructure plans and remains subject to statutory approvals, power availability and other applicable conditions. The company's India expansion possibilities include Gujarat, Visakhapatnam, Bengaluru, Hyderabad and Chennai.

During the year, the business launched its Sovereign Cloud Platform, positioned to address enterprise and public sector requirements relating to data sovereignty, regulatory compliance and secure AI adoption. The platform has been developed through ecosystem partnerships and investments in GPU and AI infrastructure.

The business is progressing towards an integrated digital infrastructure and services model encompassing AI solutions, GPU and CPU cloud services, private and public cloud, and hyperscale-grade data centers. Future expansion will be guided by demand trends, competitive intensity, capital allocation discipline and operational performance.



Sovereign, hyperscale-ready infrastructure engineered for the AI-driven economy

Outlook

The Indian data center sector is expected to grow from its current size of approximately USD 10 billion to around USD 22 billion by 2030, with installed capacity increasing from about 1.7 GW to an estimated 4-5 GW over the same period. With the accelerated adoption of AI and sovereign cloud initiatives, total capacity requirements are expected to rise further to approximately 9-10 GW by 2030. Key markets such as Mumbai, Chennai, Hyderabad and Bengaluru are expected to remain primary hubs, supported by infrastructure readiness, power availability and network connectivity.

Government initiatives promoting data localisation, together with sustained growth in digital services, are expected to continue supporting demand over the medium- to long-term.

Increasing focus on green data centers, higher rack densities and power-intensive AI workloads are expected to intensify the emphasis on reliable power sourcing, energy efficiency and effective cost management across the sector. In this context, Larsen & Toubro Vyoma's end-to-end digital infrastructure approach – with strong focus on sovereignty, performance and efficiency - is expected to support its participation in the evolving AI infrastructure landscape.

FINANCIAL SERVICES SEGMENT



Farm Equipment Finance

Overview

L&T Finance Limited (LTF) is a premier Upper Layer Non-Banking Financial Corporation (NBFC), rated 'AAA' (Domestic) and 'BBB' (International), operating as a risk-first, tech-first diversified retail financier. LTF serves a vast franchise of 2.8 crore+ customers across India's rural and urban landscapes.

The company has achieved a Retailisation of 98%, with a retail loan book of over ₹ 1,19,500 crore, diversified across rural and urban products. The company's key businesses are divided into Rural Business Finance, Farmer Finance, Urban Finance, SME Finance and Gold Finance.

Rural Business Finance

In a year marked by significant industry-wide headwinds, LTF's Rural Group Loans and Microfinance franchise remained resilient. While select segments of the sector faced elevated leverage, the company's prudent sourcing and vigilant monitoring enabled it to maintain one of the lowest credit costs in the industry.

The microfinance landscape witnessed a contraction in FY 2025-26, with overall portfolio declining by 16% (falling from ₹ 3.8 lakh crore to ₹ 3.2 lakh crore) and the active customer base reducing from 8.9 crore to 7.7 crore. Against this backdrop, LTF outperformed the industry, delivering strong portfolio growth from ₹ 25,838 crore in FY 2024-25 to ₹ 29,367 crore in FY 2025-26, representing a healthy 14% rise.

The outperformance was driven by stringent sourcing guardrails and a data-backed underwriting framework. A sustained focus on prudent sourcing and rigorous portfolio monitoring ensured that the company maintained one of the lowest credit costs in the sector, supported by collection efficiency of 99.8% and a 0-DPD (Days Past Due) book of 96.4%.

Looking ahead to FY 2026-27, LTF is well positioned to sustain this momentum through expansion into under-penetrated geographies. In the latter part of FY 2026-27, the company plans to deploy its advanced portfolio management engine – 'Project Nostradamus' - that leverages cutting-edge data analytics to enable granular portfolio monitoring and enhance predictive risk management.

Micro Loan Against Property (Micro LAP)

Leveraging its deep rural expertise, LTF has scaled Micro LAP into a secured, high margin business that is a key driver of asset growth. In FY 2025-26, the segment achieved a key milestone, with the loan book expanding to over ₹ 1,400 crore from ₹ 482 crore in FY 2024-25. This momentum was supported by a network of 260+ branches, which also provides a strong foundation for growth in FY 2026-27. LTF also aims to further accelerate this trajectory by deepening market penetration and expanding into new high-potential geographies.



Two-wheeler Finance

Farmer Finance

In FY 2025-26, LTF delivered strong performance in the Farm Equipment Finance segment, supported by a favourable macroeconomic environment. The reduction in GST on tractors from 18% to 5% lowered acquisition costs, incentivising farmers to accelerate mechanisation. This tailwind propelled industry growth by approximately 23%, with volumes rising from 9.4 lakh to 11.6 lakh units.

LTF in turn achieved a historic milestone by financing ~1.11 lakh units, up from 95,000 units in FY 2024-25 converting to a loan book of ~₹ 11,600 crore for FY 2025-26, growth of 11% y-o-y. This performance was driven by process digitalisation through an in-house employee-assisted application, supported by a rule-based underwriting engine for loan appraisal and full-scale implementation of 'Project Cyclops'. In addition, upstream integration into the dealer ecosystem was achieved through the launch of 'Partner PLANET' application, enhancing real-time trade advances and improving dealer retention.

As the Project Cyclops-underwritten portfolio matures in FY 2026-27, the company anticipates further asset quality improvement and a strengthened growth momentum within the Farmer Finance business.

Urban Finance

- **Two-wheeler Finance**

  The Two-wheeler industry witnessed strong momentum in FY 2025-26, with annual retail sales growing 12% to reach 2.1 crore units. This was bolstered by the reduction in GST on two-wheelers, which resulted in a 20% y-o-y surge during the Oct-Nov 2025 festive window, with sales totaling 57 lakh units.

  LTF capitalised on the increase in demand through a strategic shift towards prime customers and the expansion of its distribution footprint. Consequently, the prime disbursement mix increased to 90% in March 2026, while the share of prime assets in the overall portfolio mix rose to 76% in FY 2025-26 (previous year 54%).

  The implementation of Project Cyclops, the new three-dimensional underwriting engine, has led to drastic reduction of 0-DPD bounce rates on the entire portfolio by over 6% and Project Cyclops-underwritten portfolio by over 12%. The Project Cyclops-underwritten portfolio comprises around 76% of the overall portfolio.

  Coupled with the full-scale implementation of Project Nostradamus, our AI-driven portfolio management engine, these technological advancements optimised risk control and powered a robust 17% y-o-y growth in the loan book to ₹ 14,400 crore.



Micro Loans

- **Retail Housing**

  The Indian mortgage market reached a milestone of ₹ 58 lakh crore during the year, recording a 13% y-o-y. Despite global headwinds and rising costs, the sector witnessed a 16% increase in absorption value, driven largely by a shift towards premiumisation and the luxury housing segment.

  LTF has expanded its reach into semi-urban markets, increasing its physical footprint to a total of 42 main branches and 19 newly established spoke branches. Aided by this expansion, the company delivered a 20% y-o-y growth, closing the year with a loan book of over ₹ 30,000 crore and disbursements of over ₹ 11,500 crore.

  While the home loans segment has seen a steady growth of 11%, with disbursements crossing ₹ 7,600 crore during the year, the LAP segment sustained its growth momentum, registering a 44% y-o-y increase to ~₹ 3,900 crore.

- **Personal Loans**

  The personal loan industry reached approximately ₹ 15.9 lakh crore in FY 2025-26, registering an 11% y-o-y growth, primarily driven by high-ticket disbursements.

  LTF has focused towards large digital partnerships, prioritising these channels over traditional routes, and expanded its ecosystem through the addition of Google Pay and SuperMoney. This strategic shift is designed to strengthen the salaried, near-prime customer profile.

  As a result, the loan book expanded to over ₹ 14,600 crore, registering a 70% y-o-y growth.

- **SME Finance**

  The Micro, Small and Medium Enterprise (MSME) sector continues to be a cornerstone of India's economy.

  LTF's growth was driven by the expansion of its physical presence to over 100 new locations, in addition to its existing network of 118 branches, the scaling up of its direct sales team and the launch of the Partially Collateralised Business Loan (PCBL) programme. The PCBL offering has been specifically designed to address customer borrowing needs through more efficient capital structuring.

  Furthermore, Project Cyclops marked a significant milestone in transforming LTF's credit assessment framework by enhancing consistency and accuracy in decision-making. Alongside Project Cyclops was 'Project Helios' – an AI-driven assistant that was launched to enhance the speed, accuracy and efficiency of SME credit decisions.

  These initiatives have contributed to the loan book scaling to over ₹ 8,500 crore in FY 2025-26 from ~₹ 6,500 crore in FY 2024-25. LTF disbursed ₹ 6,100 crore during the year, a 23% increase over the previous year.



Home Loans

Gold Finance

LTF has significantly strengthened its retail portfolio through the acquisition of Paul Merchants Finance's gold loan business. This acquisition brought in over 130 branches, approximately 700 employees, and a book valued at ~₹ 1,300 crore.

The gold loan vertical is now a core component of LTF's diversified retail franchise, serving as a high-yield secured product within its asset portfolio. Strategically, it is expected to evolve into a key cross-sell tool leveraging LTF's existing customer base across Rural Group Loans and Microfinance, Two-wheeler and Farm Equipment Finance.

Since the acquisition, LTF has added 200 new branches — focusing on high-potential areas, bringing its total distribution network to more than 330 gold loan branches.

By balancing its presence across both rural and urban markets, the company aims to turn the gold loan business into a significant driver of long-term retail growth.

Business Environment

The global economy in 2025 navigated a landscape defined by divergent growth paths and a fundamental reordering of trade priorities. One of the most significant disruptions during the year was the sharp escalation in tariff rates to levels unseen in over a century. Against this backdrop, global growth is estimated to have slowed to 3.0% in 2025, down from the 3.3% seen in 2024.

Despite an increasingly fragmentated trade environment, the Indian economy demonstrated remarkable resilience through FY 2025-26 supported by private consumption, a robust manufacturing sector and sustained capital expenditure by the government. As per the second advance estimates, India's real GDP growth for FY 2025-26 is estimated at 7.6%, surpassing previous projections. The economy showed strong momentum through the first three quarters of FY 2025-26, with a slight moderation expected in the final quarter due to the conflict in West Asia and a high base effect.

Headline inflation declined to an average of ~2.1% for FY 2025-26 (vs. 4.6% in FY 2024-25), driven by a prolonged nine-month decline in food prices. The RBI delivered one of the sharpest easing cycles in recent history, cutting policy rates by 1.25% from February 2025 to December 2025, signalling its commitment to sustaining domestic demand amid increasing global uncertainty.

In 2025, S&P upgraded India's long-term sovereign credit rating to 'BBB' from 'BBB-' and its short-term rating to 'A-2' from 'A-3', with a Stable outlook. This marked the country's first sovereign upgrade by S&P in 18 years.

The implementation of GST 2.0 reform in September 2025 resulted in the streamlining of India's previously complex indirect tax rate structure. Early data from 2026 suggest that this rationalisation has successfully balanced the scales: reducing the compliance burden for small businesses and cooling inflation, while simultaneously driving record-high monthly collections through increased volumes.



Personal Loans

Major Achievements

L&T Finance International Ratings – at par with India's Sovereign Rating

Rating Agency	Long-term / Short-term Rating of LTF
S&P Global Ratings (S&P)	BBB / Stable / A-2
Fitch Ratings (Fitch)	BBB- / Stable

The long-term ratings are investment-grade and at par with India's sovereign credit rating. These ratings enable the company to tap global capital markets, diversify its liability franchise and further broaden its investor base.

Strategic tie-ups with large technology partners

Continuing its focus on innovation, seamless digital experiences and ecosystem partnerships, LTF entered into strategic collaborations with Google and SuperMoney to develop next-generation credit solutions. These partnerships build on the successful rollout of earlier alliances with platforms such as Amazon Pay, CRED and PhonePe. Together, these initiatives are expected to enhance market penetration, accelerate new customer acquisition and enable faster business scaling.

R.AI.S.E 2025 – Improving and projecting LTF's tech quotient through RAISE'25 & Investor Digital Day

LTF successfully concluded the second edition of its flagship BFSI-AI event, RAISE 2025, on November 7, 2025 in Mumbai. With the theme 'Accelerating Financial Services with AI', the conclave served as a premier platform to showcase LTF's digital transformation and its vision of becoming a 'risk-first, tech-first' multi-product retail financier.

The event attracted over 4,500 attendees and featured a marquee line-up of 40 national and international speakers, including technology leaders, policymakers and industry practitioners. A major highlight was the introduction of 'Pitch Point', an AI startup pitch platform designed to cultivate and incubate the fintech AI entrepreneur ecosystem.

The Investor Digital Day, held on the sidelines of RAISE on November 6, 2025, provided a deep dive into LTF's proprietary technology AI stack, including Project Cyclops and Project Nostradamus.

RAISE 2025 has reinforced LTF's position as a magnet for top-tier technology talent and a pioneer in the application of Generative and Agentic AI within the financial services sector.

Project Cyclops & Project Nostradamus

L&T Finance has transformed its credit framework through a proprietary AI-led technology stack. Project Cyclops, a next-generation underwriting engine, now powers 100% of Two-wheeler, Farm, Personal Loans and SME disbursements, significantly reducing Net Non-Starter (NNS). Complementing this, Project Nostradamus was



Gold Loans

launched in Beta in August 2025 as an industry-first portfolio management engine, providing real-time insights down to micro-market clusters. To further augment human decision-making, LTF introduced two 'Agentic AI' co-pilots:

- **Project Helios** - an underwriting assistant that reduced SME disbursement turnaround time by 30%, saving 1.5 hours per case
- **Project Orion** - a conversational interface for Nostradamus, allowing credit teams to query complex4 delinquency and vintage data in real-time. These initiatives aim to drive significant credit cost reduction

Significant Initiatives

Foray into Gold Financing

L&T Finance entered the gold loan financing business through acquisition of the gold loan business from Paul Merchants Finance. The business acquired comprised 130+ branches, ~700 employees and ~₹ 1,300 crore of loan book.

The integration of technology and people was completed within a short time-frame of eight weeks, which significantly reduced time-to-market while ensuring business continuity and minimal disruption for customers and employees.

Sampoorna Branch

Central to this strategy is the integration of select Gold Finance branches into the multi-product 'Sampoorna' branch network. LTF inaugurated its first Sampoorna branch in Ujjain, thereby creating a comprehensive service ecosystem for its customers. To date, 11 of the newly established gold loan branches operate under the Sampoorna branch format.

Risk Management

Credit Risk

Management of credit risk, encompassing transactional (default) and portfolio (intrinsic and concentration) risks, is central to company's strategy. LTF has adopted a pragmatic, data-first framework to ensure that every financing opportunity is aligned with its risk-return objectives.

Project Cyclops: AI-Driven Precision

The centerpiece of LTF's credit evolution is Project Cyclops, a proprietary AI-driven digital credit engine. Leveraging advanced machine learning and big data analytics, Project Cyclops has streamlined the entire credit life-cycle — from origination, underwriting to continuous portfolio monitoring. The platform integrates alternative data sources, including account aggregator data and bureau insights, enabling swift credit decisioning, prime onboarding and strategic shifting.

Project Nostradamus: Early Warning Intelligence

To complement Project Cyclops, LTF has deployed Project Nostradamus, an advanced Early Warning Signals (EWS) engine. Operating at both macro and micro levels,



Business Loans

Project Nostradamus analyses behavioural patterns and macroeconomic variables to identify credit stress ahead of defaults. LTF's in-house economic team tracks multiple macroeconomic variables, to proactively steer the portfolio away from potential headwinds. Further, the company has established benchmark vintage thresholds based on budgeted credit costs, enabling close monitoring of the portfolio and timely corrective actions.

Operational and Model Risk

- **Operational Risk**

  Operational Risk is a 'process and people risk' that LTF manages through rigorous internal controls. The internal controls deployed utilise a Risk and Control Matrix (RCM) approach to identify and assess risk across customer onboarding, business operations and collections.

  Every new product or feature modification undergoes a strict approval process via the Product and Process Approval Group (PAG). To mitigate 'People Risk' — including human error or fraud — the Operational Risk department periodically updates Standard Operating Procedures (SOPs).

- **Model Risk**

  As reliance on algorithms-driven decision-making increases, LTF has instituted a dedicated Model Risk Management framework. Currently, models are deployed across key areas including credit risk management, collection decisions, market risk management and financial reporting.

  To govern model risk, a Board-approved Model Risk Management Policy and Model Risk Management Committee were established in FY 2023-24. Under the oversight of this specialised committee, models are reviewed at every stage — development, active use and retirement — to mitigate the risk of inaccuracies in risk assessment. All models underlying Project Cyclops and Project Nostradamus undergo rigorous validation prior to implementation and are subject to periodic monitoring thereafter.

IT Security Risk

In an increasingly digital landscape, protecting IT assets is paramount. The Information Security (Infosec) team at LTF secures business applications through 'Security by Design' and 'Zero Trust model' with ethical hacking and 24/7 monitoring.

The Information Technology Strategy Committee (ITSC), comprising Board members, oversees LTF's security posture. The company holds an ISO 27001:2022 certification, ensuring that the Information Security Management System (ISMS) meets international standards. Our digital platform features a 3-tier Security Architecture with in-built disaster recovery to protect against ransomware, malware and data leakage. A monthly security dashboard meeting reviews the company's IT security posture across infrastructure, applications, governance, data security and business resilience.



Home Loans

Liquidity Risk

Heightened uncertainty fuelled by shifting global trade dynamics and evolving geopolitical conflicts has increased volatility in funding markets. Consequently, the need to proactively manage liquidity risk — defined as the risk of possessing insufficient liquid assets to meet financial obligations — has never been more critical.

Throughout FY 2025-26, LTF demonstrated robust liquidity risk management, maintaining positive cumulative gaps consistently within the structural liquidity statement for all buckets up to one year.

ESG, Climate and Geopolitical Risks

LTF is a pioneer in integrating emerging risks into its core financial strategy. We recognise that climate change can manifest as operational interruptions or altered asset values.

- **Climate Integration:** The company undertakes detailed analyses of key variables, such as rainfall deviation and reservoir storage capacity, to manage risks primarily within the Rural Business and Farmer Finance portfolios. Climate risk considerations are now embedded in decision-making protocols and periodic portfolio assessments.
- **ESG and ICAAP:** In compliance with RBI directives, LTF has established an Internal Capital Adequacy Assessment Process (ICAAP) that formally incorporates ESG risks.
- **Geopolitical Risk Monitoring Vigilance:** The company actively tracks geopolitical and economic developments to adjust strategies and protect collections at risk.

Outlook

The global economy had been on course for stronger-than-expected growth before the disruption in West Asia started in February 2026. The uncertainty surrounding the duration and magnitude of this disruption will test the resilience of the global economy.

India's GDP is expected to grow at 6.9% in FY 2026-27 driven by strong private consumption, a modest recovery in private investment and robust export performance. However, downside risks to the outlook could emanate from the Gulf conflict. Inflation is projected to rise to 4.3% in FY 2026-27 as it normalises from low levels, with the RBI likely to keep interest rates unchanged while maintaining a neutral stance.

India's financial system recorded steady credit expansion, low asset quality stress and evolving regulatory measures in FY 2025-26. Incremental bank credit growth for FY 2025-26 is estimated at ~₹ 26 lakh crore, representing a ~14.5% y-o-y expansion.



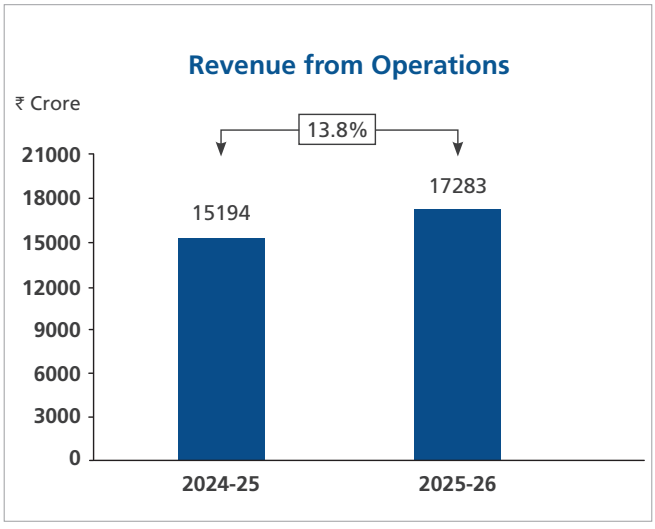
Micro Loans

As per the RBI's December 2025 Financial Stability Report, the Indian banking system is robust and resilient, boasting multi-decadal low Gross Non-Performing Assets (GNPA) ratio of 2.1%. Capital buffers are strong, with scheduled commercial banks (SCBs) well positioned to handle financial shocks. The RBI sees the NBFC sector as being stable, showing strong capital buffers, robust earnings, and improving asset quality.

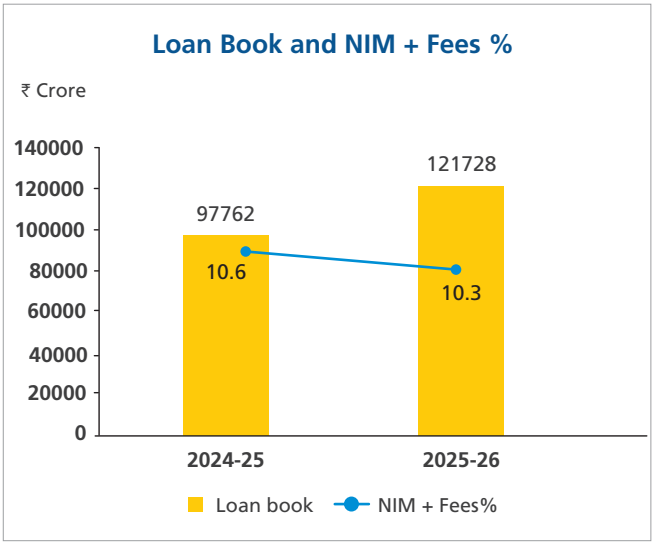
The RBI has, however, flagged specific areas that require vigilance. Unsecured loans (including personal loans, credit cards) accounted for 53.1% of all retail loan slippages. The RBI noted that private banks are particularly exposed, with 76% of fresh slippage originating from this segment. In addition, high impairment has been observed in borrowers who have unsecured loans from five or more lenders, a trend driven largely by rapid fintech credit expansion (36.1% y-o-y growth). Further, while domestic fundamentals remain strong, external risks such as geopolitical tensions, trade uncertainty and currency volatility may continue to pose fresh challenges for financial institutions.

According to CRIF Highmark, India's retail lending market surged to ₹ 162.7 lakh crore by December 2025, supported by 690 million active accounts. The market is undergoing a clear structural shift, secured products like gold and auto loans are now significantly outperforming unsecured segments. While rising asset values and favourable LTV (loan-to-value) ratios are boosting ticket sizes in top-tier categories, the real volume growth is coming from beyond the Top 100 (BT-100) cities. Driven by robust digital infrastructure, these Tier II and Tier III markets have become the primary growth engines for personal loans, two-wheelers and consumer durables.

Financial peformance of the segment



The segment's revenue increased by 13.8% y-o-y to ₹ 17,283 crore for FY 2025-26, driven by the scaling up of retail disbursements. The company's disbursement strategy continues to focus on retailisation, dealer penetration through differential offerings, improved customer retention through top-ups, geographical expansion, and creating strong risk guardrails. As at March 31, 2026, the retail loan book constituted 98% of the total loan book.



Disbursements of loans and advances for the year amounted to ₹ 83,226 crore, registering a y-o-y growth of 38%, reflecting higher credit demand in the various retail segments, supported by resilient domestic economic momentum. The loan book stood at ₹ 1,21,728 crore as at March 31, 2026, registered a growth of 25% over the previous year, primarily driven by higher retail disbursements. Net Interest Margin (NIM), including fee income, at 10.3% reflects a change in the loan mix.

Asset quality indicators continued to improve during the year. The Gross Non-Performing Asset (GNPA) ratio declined to 2.88% as at March 31, 2026, compared to 3.29% as at March 31, 2025. Similarly, the net NPA ratio improved to 0.96% as at March 31, 2026, against 0.97% as at March 31, 2025.

DEVELOPMENT PROJECTS SEGMENT



1 MW Green Hydrogen Plant for Deen Dayal Port Authority at Kandla, Gujarat commissioned by LTEGL

The Development Projects segment comprises:

a) **Hyderabad Metro Rail project, through a subsidiary, L&T Metro Rail (Hyderabad) Limited**

b) **Coal-based Thermal Power Plant, through Nabha Power Limited, a subsidiary of L&T Power Development Limited**

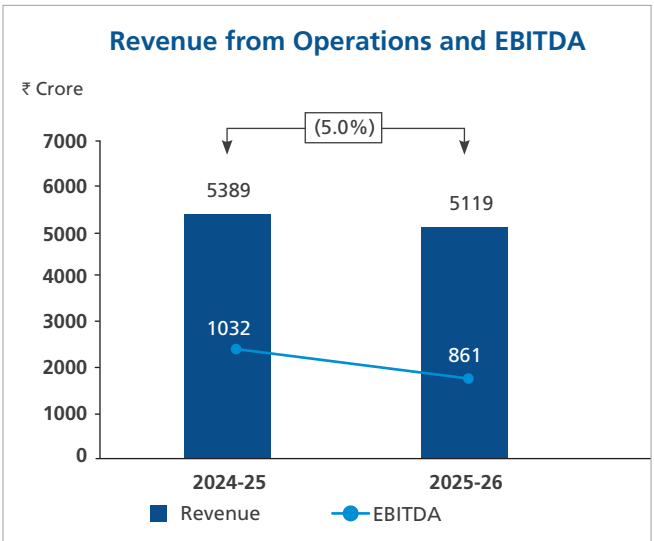
c) **Green Energy Business**

Aligned with the evolving dynamics of the Green Infrastructure landscape and to the Company's business strategy to broaden its presence in the green energy space, operations have been realigned by transferring the green development business to the Development Projects segment, effective April 1, 2025. Accordingly, the previous year's financial information has been restated.

During the year, L&T Power Development Limited (LTPDL), a wholly-owned subsidiary of the Company, has signed securities purchase agreement to sell its 100% of equity and convertible instruments in Nabha Power Limited (NPL) to Torrent Power Limited. The divestment of NPL aligns with L&T's objective of divesting its legacy portfolio in the segment.

The Company has executed a Share Purchase Agreement on April 29, 2026, with Hyderabad Metro Rail Limited, a Government of Telangana Enterprise, for disposal of its entire shareholding in L&T Metro Rail (Hyderabad) Limited (L&T MRHL), a subsidiary of the Company. The transaction is likely to be concluded by June 30, 2026. Consequently, both the businesses are classified as 'Held for Sale'.

Financial performance of the segment





Hyderabad Metro, Telangana

The segment recorded revenue of ₹ 5,119 crore for the year ended March 31, 2026, representing a decline of 5.0% over the previous year. The reduction was attributable to a lower Plant Load Factor (PLF) at NPL and the absence of revenue from the monetisation of a high-value commercial property by the Hyderabad Metro SPV in the previous year.

The segment reported an operating profit of ₹ 861 crore for FY 2025-26, compared with ₹ 1,032 crore in the previous year. The year-on-year movement reflects, among other factors, the absence of non-recurring income recorded in the preceding year.

The funds employed by the segment as at March 31, 2026, is marginally higher by 2.3% at ₹ 18,679 crore, mainly due to the annual amortisation of intangible assets.

L&T METRO RAIL (HYDERABAD) LIMITED

Overview

L&T Metro Rail (Hyderabad) Limited (LTMRHL) is a special purpose vehicle (SPV) created to undertake the business of constructing, operating and maintaining a metro rail system, including transit oriented development (TOD) in Hyderabad on design, build, finance, operate and transfer (DBFOT) basis under a concession agreement signed between the SPV and the Government of Telangana. The remaining period in the concession is approximately 46 years, with a further extension of 7 years available, subject to approval as per the conditions set out in the concession agreement.

The Hyderabad Metro rail system consists of three elevated corridors from Miyapur to L. B. Nagar, Jubilee Bus Station to Mahatma Gandhi Bus Station, and Nagole to Raidurg, covering a network of 69.2 km. The metro rail system was commissioned in phases, with the final stretch being commissioned in February 2020.



Hyderabad extends ~70km across three lines, easing commuting woes, Telangana

The concession agreement includes real estate development rights of 18.5 million sq.ft. in the form of TOD, of which 4.74 million sq.ft. has been monetised till date. In addition, LTMRHL has developed and operationalised four retail malls aggregating to 1.20 million sq.ft. of leaseable area.

Business Environment

The Hyderabad Metro is widely regarded as one of the safest, cleanest, fastest and most reliable modes of urban transport in the city. To encourage commuters to shift from private vehicles to public transport, the metro service has introduced several commuter-friendly initiatives, including reserved seats for senior citizens and women, WhatsApp-based grievance redressal services and various promotional and fare schemes. Beyond enhancing commuter convenience, it also plays a significant role in environmental sustainability. As a non fossil fuel based transport system, it helps reduce carbon emissions and noise pollution, contributing to a cleaner and more liveable urban environment.

The average daily ridership moderated to 4,17,000 in FY 2025-26 from 4,44,000 in FY 2024-25, with the decline partly attributable to the upward fare revision undertaken during the year.

With a view to enhancing the vibrancy of LTMRHL's commercial spaces, the company has on-boarded select premium brands to set up outlets across its retail malls and has undertaken various promotional and customer engagement initiatives during the year. These efforts are aimed at improving footfall and tenant traction across the company's commercial spaces.

The company has progressively increased the use of renewable energy (RE) throughout its operations. During the year, approximately 16% of the grid power requirement for metro operations was substituted with captive solar power, supported by an installed solar capacity of 12.4 MWp. This includes the commissioning of an additional 1.2 MWp ground-mounted solar power plant at the Uppal Depot in FY 2025-26. Solar PV panels have been deployed across metro station rooftops and depot premises to optimise RE generation.

In parallel, water stewardship initiatives remain a key priority. The network is supported by 155 rainwater harvesting pits across stations and depots, enabling the harvesting of approximately 58 million litres of water annually. These initiatives underscore the Company's commitment to reducing its environmental footprint and promoting resource efficiency across operations.

Divestment Process

The Company has executed a Share Purchase Agreement on April 29, 2026 with Hyderabad Metro Rail Limited, a Government of Telangana enterprise, for disposal of its entire shareholding in L&T Metro Rail (Hyderabad) Limited (L&T MRHL), a subsidiary of the Company. The transaction is likely to be concluded by June 30, 2026.



2x700 MW Supercritical Thermal Power Plant, Rajpura, Punjab

Nabha Power Limited

Overview

Nabha Power Limited (NPL) owns and operates a 2x700 MW supercritical thermal power plant located at Rajpura, Punjab. The entire power generation capacity of the plant is contracted with the state distribution utility, Punjab State Power Corporation Limited (PSPCL) under a 25-year Power Purchase Agreement (PPA), which is effective till year 2039.

The plant sources its fuel from the subsidiaries of Coal India Limited (CIL) under a 20-year fuel supply agreement (FSA), with a total annual contracted quantity of 52.4 lakh metric tonnes (MT). To mitigate risks arising from potential supply disruptions, the company has secured the necessary approvals to procure from alternate sources to address any shortfall in supply of coal. The Bhakra-Nangal distributary is a perennial source of water for the plant under an allocation from the state government. The plant is operated by an in-house team of experienced operations and maintenance (O&M) professionals.

The power plant has been operating successfully for over 12 years, consistently maintaining availability levels exceeding 85%. It has been the most reliable source of power for Punjab, supporting the state's requirements with uninterrupted supply, including during peak demand season. Notably, NPL is lowest cost thermal power producer in Punjab with best-in-class operational efficiencies.

Business Environment

India's electricity demand growth moderated during FY 2025-26, with average demand remaining largely stable on a y-o-y basis. The early and prolonged monsoon conditions and a high base effect are primarily attributable to this modest growth of ~0.8% y-o-y. Peak demand also decreased by ~2% y-o-y and stood at approximately 245 GW.

Punjab's power sector also witnessed a drop in annual electricity demand. The demand in Punjab decreased by ~2% from 8,951 MW in FY 2024-25 to ~8,770 MW in FY 2025-26.

During the year, NPL managed to secure 100% domestic coal supplies from various subsidiaries of CIL. This ensured adequate fuel availability, resulting in uninterrupted power supply at a competitive and affordable cost to the state of Punjab.

Major Achievements

- Annual PAF: 96% - the highest ever in NPL's history; ~98% during the critical paddy season
- Annual PLF: ~79% vs all-India thermal average of ~60%
- Successfully achieved 5% biomass co-firing and complied with the stipulated target
- Successfully executed the Unit #1 overhaul, enhancing operational reliability



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

Divestment Process

During the year, the Company, through its wholly-owned subsidiary L&T Power Development Limited, entered into a Securities Purchase Agreement (SPA) with Torrent Power Limited on February 16, 2026, for the divestment of its entire 100% stake in NPL. The transaction is subject to receipt of regulatory approvals and fulfilment of customary closing conditions.

Green Energy Business

Overview

The Company's entry into the green energy sector is supported by an integrated business model spanning the full industry value chain, structured around two core segments: (i) Asset Development for Green Hydrogen and its derivatives, and (ii) Hi-Tech Manufacturing for Electrolysers. The approach enables the Company to deliver end-to-end green energy solutions, ranging from equipment supply from original equipment manufacturers (OEMs) to development of build-own-operate (BOO) green energy assets.

The integrated model supports scalable deployment and positions the Company to deliver reliable and sustainable green energy solutions, aligned with global decarbonisation priorities.

Business Model

The business operates across two principal segments:

- **Asset Development**

  The segment focuses on developing, owning and operating large-scale integrated green hydrogen and derivative projects, including green ammonia and green methanol, aligned with L&T's long-term decarbonisation and energy transition objectives.

  Executed under a BOO framework through dedicated platforms such as L&T Green Energy Kandla Private Limited (LTGEK) and Panipat Green Hydrogen Private Limited (PGHPL), the segment leverages L&T's engineering and execution strengths to deliver end-to-end solutions.

  The segment addresses both domestic and export opportunities across key end-use sectors such as refining, fertilisers, power, steel and shipping, in collaboration with strategic partners. The model integrates renewable energy with hydrogen production and downstream conversion, while structured SPVs enable ring-fenced finance structure, efficient execution, partnerships and long-term offtake arrangements, positioning the Company as a long-term participant in the green hydrogen economy.



L&T's advanced pressurised alkaline electrolyser 4 MW XL Stack

- **Hi-Tech Manufacturing – Electrolyser**

  L&T Electrolysers Limited (LTEL), a wholly-owned subsidiary of L&T Energy Green Tech Limited (LTEGL), manufactures advanced, modular, high efficiency, pressurised alkaline electrolysers at its state of the art, robotic enabled manufacturing facility at Hazira, Gujarat.

  The company continues to benefit from a well-established domestic supplier ecosystem, aligned with the Government of India's *Aatmanirbhar Bharat* initiative, thereby enhancing supply chain resilience and localisation. Further, LTEL's integrated testing and validation infrastructure, including an industrial environment test bench, enables rigorous performance assessment under real-world conditions, supporting reliable deployment across both domestic and international clean energy projects.

Business Environment

The global green hydrogen and ammonia sector has entered a critical execution phase, with projects transitioning from final investment decision (FID) to construction and early-stage commissioning. Electrolyser capacity additions have accelerated, with an estimated 3 GW+ added over the past year, alongside rapid scaling of manufacturing capacity, with over 25-30 GW annually announced globally. The development of international hydrogen corridors, particularly between Asia-Pacific and Europe, is expected to shape future trade flows. Regulatory momentum has been supportive, led by the EU's Carbon Border Adjustment Mechanism (CBAM), which enters its definitive phase in 2026, embedding carbon costs into global trade and mandating verified emissions reporting.

FY 2025-26 marked the operationalisation of India's green hydrogen economy under the National Green Hydrogen Mission, with the Strategic Interventions for Green Hydrogen Transition (SIGHT) programme progressing through awards for ~3,000 MW of electrolyser manufacturing capacity and large-scale production incentives across multiple tranches. The sector has achieved early commercial price discovery, with green hydrogen prices in the range of ₹ 279-336/kg and green ammonia reaching a benchmark of ₹ 49.75/kg through auctions conducted by Solar Energy Corporation of India Limited (SECI). Demand aggregation has gained traction, with over 7 lakh tonnes per annum (TPA) of green ammonia tendered and initial volumes tied up for refinery applications. Key ports such as Deendayal, V. O. Chidambaranar and Paradip are emerging as green hydrogen hubs, supported by the launch of the Green Hydrogen Certification Scheme, strengthening India's position as a cost-competitive and standards-aligned market.



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

Major Achievements

- **Asset Development and EPC:**
  - Secured a contract from Indian Oil Corporation Limited (IOCL) for supply of a 10 KTPA green hydrogen for a period of 25 years
  - Entered a joint development arrangement with ITOCHU Corporation, Japan, for green ammonia production in western India
  - Commissioned a 1 MW green hydrogen plant for Deendayal Port Authority at Kandla, Gujarat
  - Completed a front end engineering and design (FEED) study for a clean energy company based in West Asia
  - Delivered the FEED package for a large scale green ammonia project for an overseas customer in North America
- **Hi-Tech Manufacturing – Electrolyser:**
  - Indigenised over 85% of the electrolyser supply chain, leveraging strong domestic sourcing and manufacturing capabilities. This significantly enhances cost competitiveness, supply security and scalability
  - Commissioned India's first giga-scale expandable high-pressure alkaline state-of-the-art electrolyser manufacturing facility at Hazira, Gujarat
  - Recognising the importance of R&D and new product development, established a state-of-the-art in-house R&D and testing facilities, supported by a team of 30 scientists
  - Successfully indigenised a 4 MW electrolyser stack featuring next-generation zero-gap technology
  - Set up a best-in-class test bench facility for in-house testing of electrolyser stacks

Significant Initiatives

L&T Green Energy business has integrated capabilities across design, engineering and execution. It also includes strong expertise in process plants and in-house electrolyser manufacturing. By leveraging advanced and proven technologies across manufacturing and project execution, these capabilities position the Company as a reliable and cost-effective partner while enhancing its competitiveness against both domestic and international players across its green energy portfolio.

Key Strategic Focus Areas

- Technology alliances across renewable energy, hydrogen storage, ammonia synthesis, maritime transport and port logistics
- Global collaborations to expand market access and lock in offtake agreements with global developers
- Securing order inflows by improving cost competitiveness and accelerating product development
- Dedicated research focused on developing next-generation electrolyser stacks



L&T Electrolyser manufacturing facility at Hazira, Gujarat

Outlook

The sector is transitioning from an initial high momentum phase to a more disciplined execution phase, supported by a growing pipeline of over 200 projects achieving FID (representing ~3-5 MTPA capacity), even as near-term execution challenges persist. Demand continues to be driven by compliance-led mechanisms enabling the positioning of green hydrogen manufacturing facilities as a strategic asset. The Asia-Pacific region is emerging as a key growth driver, supported by substantial hydrogen support programmes in markets such as Japan. Looking ahead, potential green ammonia demand of ~10 MMTPA from Europe and Southeast Asia presents significant opportunities.

India is transitioning from a largely subsidy-driven phase to a self-sustaining green hydrogen ecosystem, with near-term focus on operationalising capacities awarded under SIGHT programme. In the near term, demand is expected to be driven by existing hydrogen consumers such as refineries and fertilisers, with current consumption estimated at ~200-250 KTPA (hydrogen) and ~1,000-1,200 KTPA (ammonia), supported by expected investments of around USD 16 billion over the next five years. Over the medium-term, demand is expected to broaden into additional end-use sectors, including marine, aviation, power and steel. The long-term outlook is anchored by India's target of achieving 5 MMTPA of green hydrogen capacity by 2030, supported by hub-based development and enabling infrastructure such as blending and dedicated pipelines. With anticipated cost reductions over time, India is well positioned to emerge as a globally competitive producer and exporter of green hydrogen and its derivatives.

OTHERS SEGMENT



Green Reserve, Noida

The 'Others' segment largely comprises:

a. **Realty Business**

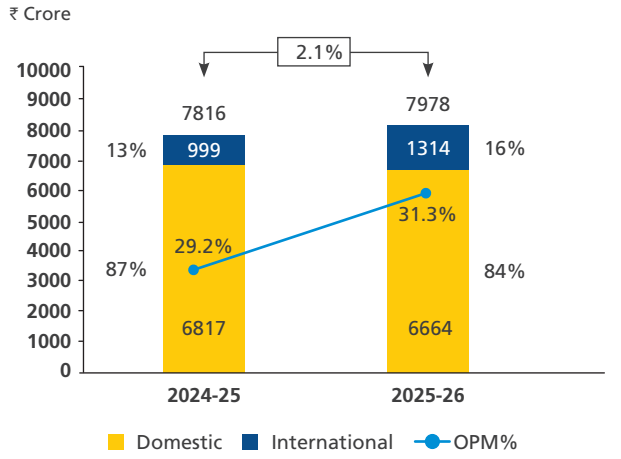
b. **Industrial Machinery, Products & Others comprising of Construction & Mining Equipment, Rubber Processing Machinery and Industrial Valves**

Financial performance of the segment

Revenue for the segment registered a moderate growth of 2.1% to ₹ 7,978 crore in FY 2025-26 primarily due to a higher demand in the Industrial Valves business.

The operating margin for FY 2025-26 improved to 31.3% from 29.2% in the previous year, on the back of improved mix in the Construction & Mining Equipment, Rubber Processing Machinery and Industrial Valves businesses.

Revenue from Operations and OPM%



Following the launch of new projects in the Realty business, funds employed by the segment as at March 31, 2026, stood at ₹ 8,972 crore, an increase of 3.6% over the previous year.



Elixir and Innovation Campus, Powai, Mumbai

Realty Business

Overview

L&T Realty is one of the largest real estate companies in India with a focus on customer centricity and world-class quality. The company has a development and revenue potential of ~71 million sq.ft. across residential, commercial and retail segments in six key metro cities including Mumbai (MMR), Bengaluru, Chennai, and Delhi-NCR. The business model encompasses land acquisition in select cities besides development of owned land, partnership with land or development-right owners, and the sale as well as leasing of commercial spaces.

The Realty businesses currently operate through multiple subsidiaries as well as a business unit within the Company. The Company is proposing to consolidate the Realty businesses under a single corporate entity which will enhance focus and management bandwidth while creating a future ready organisation.

Residential Segment

Ongoing Projects

- **Green Reserve, Noida**

  Green Reserve is a luxury residential development in Sector 128, Noida, positioned within the premium golf course micro-market along Yamuna Expressway. Planned on a 6 acres land parcel, the project's value proposition rests on developer brand credibility, golf view residences, a large club house and amenity stack, and strong connectivity to Noida's commercial hubs as well as South and Central Delhi via the expressway.

- **Crestoria Estate, Panvel**

  Crestoria Estate is a large format, premium residential township by L&T Realty in Panvel, Navi Mumbai, spread across 35 acres along the Mumbai-Pune expressway with seamless connectivity to the Navi Mumbai international airport and the Atal Setu. The township concept integrates large landscaped open spaces, a substantial multi-level club house, sports and wellness amenities, and curated retail conveniences to create a self-contained community.

- **Elara Celestia, Bengaluru**

  Elara Celestia is a luxury development situated adjacent to Raintree Boulevard, Hebbal. Spread across a 13-acre land parcel, the project features a planned layout with nearly 70% open spaces. The main attractions of the project are views to the open greens of Gandhi Krishi Vigyana Kendra, a rooftop club-house and an infinity pool. Once completed, the project is expected to house 600+ families.



Innovation Campus, Kolkata

- **Avinya Enclave, Chennai**

  The project is part of a 40-acre mixed-use development parcel and is located across the L&T campus at Manapakkam, Chennai. With access to planned amenities and proximity to retail outlets, commercial hubs and social infrastructure, the residences aim to deliver a high-quality experience.

- **Island Cove, Mumbai**

  Island Cove, Mahim's first gated community, offers convenient access to Mumbai's major landmarks. The project comprises well-planned residences supported by a range of lifestyle amenities.

- **The Gateway, Mumbai**

  The Gateway at Sewri, Mumbai is a landmark ultra-luxury residential development with a height exceeding 200 metres. The project offers sea-facing apartments facing the Arabian Sea and the Sewri mudflats. The property is located close to India's longest sea bridge - Atal Setu in Sewri - and promises residents unparalleled connectivity and convenience.

- **Elixir Reserve, Mumbai**

  Elixir Reserve is a premium residential development located in Powai and surrounded by a forested landscape. This project is replete with state-of-the-art amenities, including an international-standard school within its premises as well as commercial and retail facilities in the vicinity.

- **Rejuve 360, Mumbai**

  The residential development is in Mulund West and is positioned within the premium segment of the micro-market. The project has maintained its standing among established premium residential developments in the area.

- **77 Crossroads, Mumbai**

  77 Crossroads is a gated community situated on the Eastern Express Highway in Ghatkopar offering connectivity across the city. The project comprises well-planned residences and provides access to over 20 amenities designed to meet the needs of urban living.

- **Veridian at Emerald Isle, Mumbai**

  Set amidst approximately 3 acres of central green spaces, the residential development offers spacious homes supported by a range of amenities. The gated community is located in Powai and is home to over 2,000 families.

- **West Square & West Manor, Navi Mumbai**

  West Square & West Manor are residential developments located in Navi Mumbai. The projects offer planned amenities and a focus on privacy, supported by strong



Emerald Isle, Powai

connectivity and proximity to the Navi Mumbai International Airport.

- **Evara Heights, Thane**

  Evara Heights is a premium high-rise residential development offering well-designed residences with contemporary features and amenities. Launched during the year, the project is in the heart of Thane, adjacent to Lake Shore Mall. It benefits from proximity to upcoming metro stations, reputed schools and a major hospital.

Commercial Segment

- **Innovation Campus, Powai, Mumbai**

  Situated in the prime micro-market of Powai, Innovation Campus offers ~2 million sq.ft. of Grade A office space. Spread across a 5-acre campus, the development will house LEED Platinum-certified towers with office spaces that emphasise sustainability, occupant well-being and high operational efficiency. Featuring advanced infrastructure, optimised floor layouts and contemporary amenities, the campus is well positioned to attract IT/ITeS firms, fintech companies and innovation-led businesses seeking future-ready workspaces.

- **Technology Park, Bengaluru**

  Located in the rapidly growing micro-market of Hebbal, the project has a development potential of ~1.8 million sq.ft. of IT/ITeS office space. Tech Park-1 (Phase 1), comprising 1.2 million sq.ft. of office space, has been completed and is fully leased. Construction for Phase 2, with around ~0.6 million sq.ft., is planned to commence shortly.

- **Innovation Campus, Manapakkam, Chennai**

  Innovation Campus, Chennai is a mixed-use development spread across 40 acres. The campus offers 10 commercial towers totaling ~6.5 million sq.ft. of Grade A office space with modern amenities and last-mile connectivity though a nearby upcoming metro station. The development provides a 'Walk to Work' lifestyle with premium residences within the campus. Two office towers — Ananda I and Ananda II — are fully leased out, while two additional towers are currently under construction and scheduled for completion in the next year.

- **Innovation Campus, Lower Parel, Mumbai**

  Located in Mumbai's premium business district of Lower Parel, the Innovation Campus offers ~5.7 lakh sq.ft. of Grade A office space. The development is supported by modern amenities and benefits from a strategic location directly opposite the upcoming Worli-Sewri Double Decker Connector. Construction of the project is slated to commence next year, and its completion is expected to set a benchmark in Mumbai's real estate market.



Crestoria Estate, Panvel

Other Commercial Developments

Initiatives are also being pursued in select locations like Powai East (Mumbai), Whitefield (Bengaluru) and in Coimbatore over the near to medium-term.

New Growth Opportunities

L&T Realty has significantly expanded its footprint in FY 2025-26 through strategic project acquisitions, adding ~15 million sq.ft. of premium residential development across Mumbai (MMR), Delhi-NCR and Bengaluru, along with ~5 lakh sq.ft. of commercial office space at Lower Parel, Mumbai. Backed by a strong pipeline and strategic partnerships, the company is well positioned to accelerate portfolio growth and deepen its presence in high-demand markets.

Business Environment

India's real estate sector is on a strong growth trajectory, with the market expected at ~USD 585 billion in FY 2025-26 and projected to expand to USD 927 billion by 2031. Over the longer term, the sector is expected to reach an estimated USD 5.8 trillion by 2047, contributing around 15.5% of GDP, up from the current 7.3%. Growth is primarily driven by rapid urbanisation, rising disposable incomes, a young demographic profile and the government's push on infrastructure and housing. Regulatory reforms such as RERA and GST have enhanced transparency, while the entry of institutional investors and REITs has contributed to market maturity.

The residential segment continues to drive sectoral momentum, with housing sales at a decade-high with demand having shifted towards premium and mid-income housing segments. Developers with strong balance sheets continue to consolidate market share. Demand from Tier II and Tier III cities is reshaping the housing landscape as infrastructure development and improving economic activity support sustained residential absorption. Sustainable and green-certified townships are gaining traction as consumer preferences shift towards integrated and environmentally conscious living.

The commercial real estate segment remains resilient, underpinned by strong demand from Global Capability Centres (GCCs), technology firms and BFSI players. Office leasing volumes are at record highs, with Grade A spaces driving occupancy as hybrid work models stabilise. India's GCC footprint is expected to rise from over 1,750 centres at end-2025 to more than 2,400 by 2030. In addition, the rise of flexible workspaces and REIT-led assets is transforming the commercial real estate landscape, while sustainability and ESG compliance are increasingly influencing occupier



L&T Realty Innovation Campus, Whitefield - Bengaluru

and investor preferences. Established metros such as Bengaluru, Mumbai (MMR) and Delhi-NCR will remain core markets, while cities like Chennai, Hyderabad and Pune continue to emerge as strategic alternatives.

Overall, India's real estate market is transitioning into a more organised, transparent and institutionally funded ecosystem, with both residential and commercial segments poised for sustained double-digit growth over the next decade.

Major Achievements

- L&T Realty achieved presales of over ₹ 10,000 crore for the first time, driven by successful launch of multiple residential projects across major cities in India.
- New residential project launches during the year:
  - Green Reserve, Noida
  - Crestoria Estate, Panvel
  - New Phases in Avinya Enclave (Chennai), Island Cove (Mahim), Evara Heights (Thane) and Elixir Reserve (Powai West, Mumbai)
- Handed over 1,000 residential units during the year at Seawoods (Navi Mumbai), Elixir Reserve (Powai West, Mumbai), Emerald Isle (Powai East, Mumbai) and Raintree Boulevard (Bengaluru)

Outlook

The growth momentum in the residential segment is expected to continue on the back of stable mortgage rates and a balanced inventory environment. Premium, luxury and ultra-luxury housing are likely to remain key demand drivers, with developers focusing on high-quality developments across established urban markets.

Major trends that are expected to shape the market's direction in the near future include:

- Continued preference for high-quality Grade A / Grade A+ office spaces
- A growing focus on development that is sustainable and energy-efficient
- Rising demand for amenity-rich, experience-driven workplaces aligned with hybrid work models

With a strong pipeline, presence across key markets and focus on premium developments, L&T Realty is well positioned to capitalise on these trends and drive sustained growth in the near to medium-term.



Komatsu GD705 – Proven Performance Motor Grader. Ensuring precision grading with consistent reliability across diverse terrains

Construction Equipment & Industrial Products Design & Development

Overview

The Construction Equipment and Industrial Products Design and Development (CE&IPDD) business comprises Construction and Mining Machinery (CMM) division and the Industrial Products Design & Development (IPDD) division.

The CMM Business is engaged in marketing, sales and after-sales support of construction and mining equipment. The IPDD division is engaged in (i) the manufacture and sale of industrial valves under wholly-owned subsidiary L&T Valves Limited (LTVL); (ii) the manufacture and sale of components of construction equipment and customised equipment under wholly-owned subsidiary L&T Construction Equipment Limited (LTCEL); and (iii) the manufacture and sale of equipment for the rubber and tyre industry by Rubber Processing Machinery (RPM) business of L&T.

The CMM business is engaged in the distribution and after-sales support of hydraulic excavators and dump trucks manufactured by Komatsu India Private Limited (KIPL) and other mining and construction equipment manufactured by Komatsu worldwide. It also handles the distribution and after-sales support of other mining equipment, viz., surface miners, crushing solutions and apron feeders manufactured at the Company's plant in Kansbahal (Odisha); road machinery and material handling equipment manufactured by Infra Bazaar Technologies Private Limited (IBTPL) / Pai Machines; and specialised tools and attachments for demolition, piling and breaking work.

LTVL, a wholly-owned subsidiary of L&T, is a leader in flow control solutions with a global customer base. The business leverages sixty-plus years of manufacturing excellence to serve key sectors such as oil & gas, defence, nuclear & aerospace, power, petrochemicals, chemicals, water and pharmaceuticals across the globe. LTVL manufactures a wide range of products, such as gate, globe, check, ball, butterfly and double block bleed valves. It also provides automation solutions. The portfolio includes products monogrammed API600, API594, API6D, API609 and API603, valves with CE, ATEX and Safety Integrity Level (SIL) certifications, as well as IoT-ready digital solutions. The business has manufacturing centres with state-of-the-art facilities in Kancheepuram (Tamil Nadu) and in Al Jubail (Saudi Arabia) through a wholly-owned subsidiary. The business has its own internal engineering department and an R&D centre, staffed with a technically empowered team. LTVL's products have an established record of safety, reliability and quality across industry segments.

Leveraging expertise in hydraulics and mechanical, electrical and electronics engineering, LTCEL offers a wide range of hydraulic aggregates such as cylinders, pumps, motors, swivel joints, power packs for construction



Komatsu HD785 – Mighty Hauler. Reliable and efficient hauling solution for large mining applications

and mining equipment, bulk material handling and the defence sector; customised equipment for special projects in the construction industry such as high-speed rail; and customised solution for defence application like hydro-pneumatic suspension and track tensioners from its facility based at Doddaballapura, near Bengaluru in Karnataka.

The RPM business, located in Kancheepuram near Chennai, manufactures rubber processing machines and tyre automation systems for the global tyre industry. It supplies equipment to tyre majors in over 40 countries. With over five decades of expertise, the division also supports customers with build-to-print products and customised machinery.

The Product Development Centre (PDC), a part of the IPDD business based in Coimbatore, with its highly skilled design team, supports engineering and product development for both LTCEL and RPM businesses. PDC plays a key role in designing customised equipment for various industries.

Business Environment

Construction & Mining Equipment (CMM)

Investments in the infrastructure and mining sectors drive demand for the CMM business. During FY 2025-26, despite extended monsoon conditions and a measured pace of government capital expenditure, infrastructure construction activities remained resilient, though the pace of roads and highways construction moderated. Rural development, housing and urban infrastructure segments recorded modest growth. In this context, demand for construction equipment remained stable during the year.

Demand for mining equipment is largely dependent on growth and expansion plans in core industries such as coal, steel, cement and other allied sectors. During FY 2025-26, India's coal output was maintained at levels similar to the previous year while steel and cement production delivered robust growth of more than 9% over the previous year. Capital investments by mining PSUs and private sector translated into strong demand for mining equipment.

The CMM business has continued to offer cost-effective, performance-driven and sustainable value propositions, backed by robust after-sales support, round-the-clock service at mining sites, application engineering expertise, digital and technological advancements, continuous improvement tools and deep customer engagement.

L&T Valves Limited (LTVL)

The industrial valves market experienced steady demand, supported by investments across oil & gas, petrochemicals, refining, pipelines, LNG infrastructure, power generation and water projects. Global downstream oil & gas segments remained the primary demand drivers, while upstream investments were influenced by crude price volatility and geopolitical developments.



Komatsu PC2000 – Mega Miner. Designed for high-volume operations, delivering exceptional output and efficiency

Investments linked to energy transition, such as large-scale carbon capture projects, moderated in the latter half of FY 2025-26, resulting in more selective project sanctioning by developers. Further, tariff-related developments and ongoing geopolitical uncertainties led to delays and deliberate deferrals in decision-making pertaining to order finalisation.

In India, the business environment remained favourable, supported by sustained public and private investments across refineries, petrochemicals and thermal power augmentation. Supply chain conditions improved compared to earlier periods, although material price volatility and logistics-related uncertainties continued to require close monitoring.

Supported by a geographically diversified demand base and ongoing channel and product expansion initiatives, the business is well positioned to enhance resilience, sustain competitive advantage and capture emerging growth opportunities across end-markets.

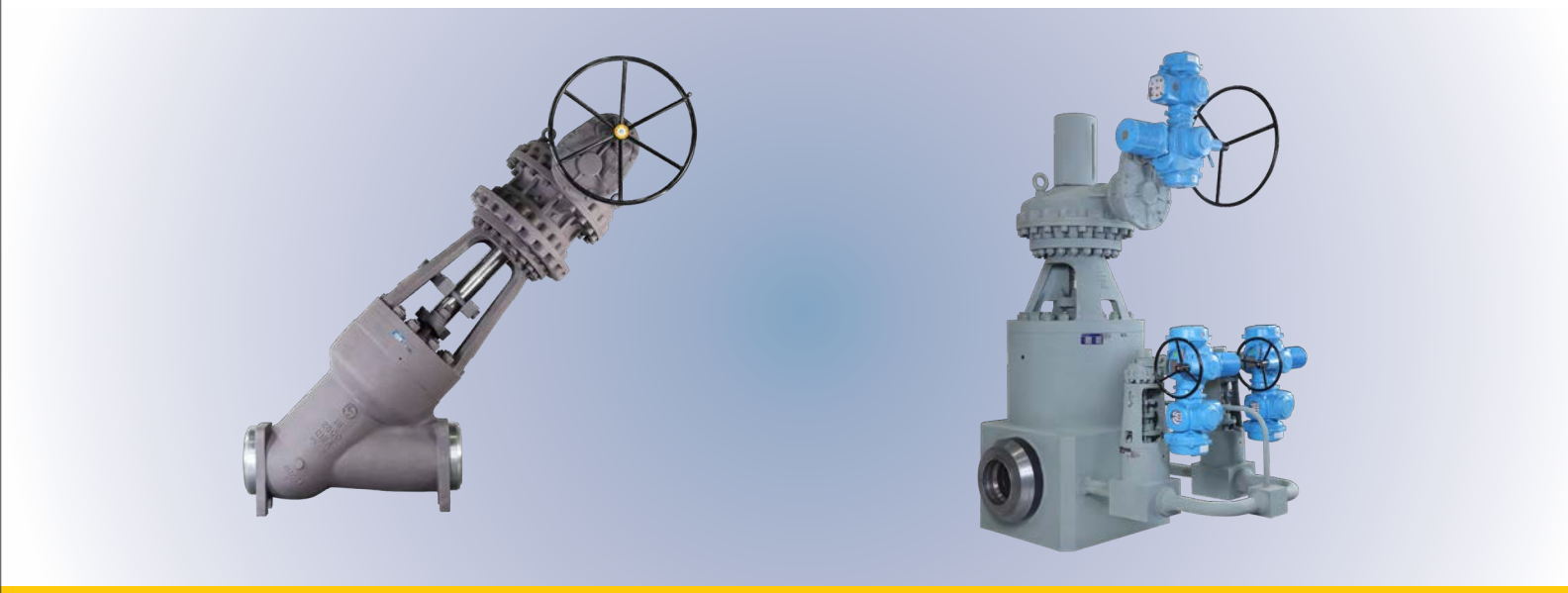
L&T Construction Equipment Limited (LTCEL)

The Indian construction and earthmoving equipment market remained stable during FY 2025-26, supported by sustained infrastructure spending on roads, urban development, irrigation and mining. Equipment utilisation levels remained healthy, contributing to replacement demand.

Original equipment manufacturers (OEMs) increasingly focused on localisation, cost optimisation and supply chain resilience, creating opportunities for domestic suppliers of hydraulic systems and aggregates. Export demand remained selective, influenced by geopolitical uncertainties and variability in construction activity across global markets. LTCEL remains well positioned to benefit from sustained domestic infrastructure momentum and OEM localisation trends, supported by its strong customer relationships, expanding product portfolio and focus on operational efficiency.

Rubber Processing Machinery Business (RPM)

Demand for tyre-making machinery continued to be influenced by trends in the global automotive and tyre industries. During FY 2025-26, growth in global vehicle production moderated, leading to tyre manufacturers in developed markets to adopt a cautious approach towards capital expenditure, resulting in subdued international order inflows. The Indian tyre industry demonstrated resilience, supported by replacement-driven demand, increasing export orientation and improved automobile demand following GST rationalisation. India's growing importance as a manufacturing and sourcing hub for tyres continued to partially offset muted investment sentiment in Europe and North America. While international order inflows were impacted by tariff-related uncertainties



L&T Valves offers a comprehensive range of solutions for power projects, both thermal and nuclear

leading to capital expenditure deferments in markets such as the US, the RPM business maintained a strong domestic footprint in India, reinforcing its overall market resilience.

Major Achievements

Construction & Mining Machinery (CMM)

- Crossed the milestone sale of 5,000th Komatsu PC210LC/ PC210-10M0 excavator, sale of the 1,000th Komatsu PC205 and the 1,000th Komatsu D85 dozer in India
- Introduced Komatsu PC225LC-10M0 as part of the multi-model strategy for the 20-tonne class hydraulic excavator segment, addressing diverse application needs
- Launch of Komatsu PC30MR-3 (3T) mini hydraulic excavator, apart from the existing offering of 3.5T hydraulic excavator (PC35MR)
- For the first time in India, L&T's all-women team commissioned a 100-tonne Komatsu dump truck model HD785
- Received the Supplier Relationship Management (SRM) Partner of the Year Award 2025 from Tata Steel

L&T Valves Limited (LTVL)

- Successfully developed and supplied a 20 MT, 6 metre high Bolted Bonnet Gate Valve for a Residue Hydrocracker Unit, demonstrating strong capability in executing large, complex and high integrity equipment for critical refining applications
- Commissioned an 800-kW rooftop solar power plant at the Kancheepuram facility under Project SURYA, enabling ~60% of the plant's operational energy requirements to be met through renewable sources, and reinforcing the company's commitment to sustainability and long-term energy efficiency

L&T Construction Equipment Limited (LTCEL)

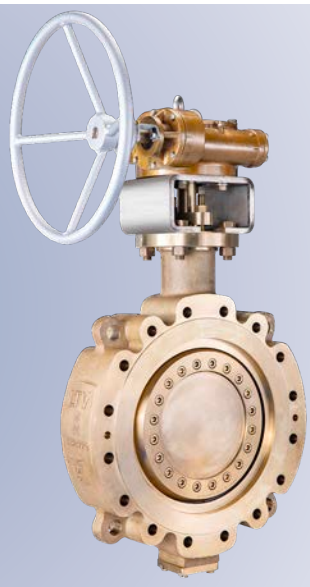
- Developed customised trenching and pipe-laying equipment that integrates trenching, backhoe and dozer attachments into a single unit
- Manufactured and supplied torque tube distributor for renewable energy (RE) projects in Riyadh

Rubber Processing Machinery Business (RPM)

- Secured pilot orders for Automatic Visual Inspection (AVI) systems and Passenger Car & Light Truck Tyre Building Machines from leading Indian tyre manufacturer(s), validating RPM's technology leadership and opening new long-term growth opportunities
- Developed and supplied new size hydro mechanical tyre curing presses for a Japanese tyre major's Mexico greenfield project, securing 100% market share of PCR tyre curing presses
- Successfully executed turnkey international projects encompassing design, manufacture, installation and commissioning



Titanium Valves for petrochemical plants



Nickel Aluminium Bronze (NAB) valves for submarines and ships

- Won back a leading Indian tyre manufacturer with the Ecocure series and executed full scope design, manufacturing and installation of PCR curing presses for a German tyre major in Thailand
- Achieved certification as a zero waste to landfill manufacturing facility, reinforcing RPM's commitment to sustainable manufacturing and long-term value creation

Significant Initiatives

- Advanced digital construction solutions such as digital twin and 3D machine guidance technologies were launched, enabling improved operational efficiency, accuracy and productivity for CMM customers
- CMM service network expansion initiatives were undertaken for major service centres across India, reinforcing proximity to customers and enhancing service responsiveness
- LTVL progressed its enterprise-wide digital transformation programme (NOVA) across engineering, manufacturing, supply chain and project execution, including expanded adoption of quick response (QR) code-based track & trace systems to enable end-to-end traceability and process transparency
- LTCEL significantly increased its utilisation of RE, with renewables now comprising approximately 95% of total energy consumption, reinforcing LTCEL's commitment to sustainable operations
- RPM business advanced and validated electric tyre curing press technology, supporting improved energy efficiency and reduced environmental footprint

Outlook

Construction & Mining Machinery Business (CMM)

The government's vision towards Viksit Bharat 2047 has resulted in various initiatives being rolled out under the National Infrastructure Pipeline and PM Gati Shakti programmes. These initiatives are expected to generate robust demand for construction equipment. The government's focus on developing world-class infrastructure, from logistics hubs to smart cities, is expected to propel the industry into its next phase of growth. The continued focus on the development of rural infrastructure including drinking water and sanitation, is expected to aid demand for small- to mid-sized construction equipment.

However, the prevailing geopolitical developments and associated uncertainties could influence the pace of infrastructure spending, which, in turn, may have an impact on demand for construction and mining equipment.

Notwithstanding the significant addition of RE capacity, coal continues to remain the primary contributor to power generation in India. Considering global geopolitical developments and evolving energy security priorities, coal is expected to retain its central role in India's energy mix



Two-wheeler Radial Tyre Building Machine

and support growth. Supported by sustained government expenditure on infrastructure, demand for cement and steel is expected to continue to show healthy growth. Collectively, these factors indicate steady demand for mining equipment.

For the spare parts and services segment, the business will continue to focus on gaining higher market share by providing long-term service contracts to its customers. Accordingly, various initiatives have been undertaken to improve the sale of genuine spare parts.

Digitalisation is steadily transforming the construction and mining equipment industry through better work planning, higher equipment efficiency, improved productivity, lower costs and safer operations. CMM is actively promoting smart construction technologies such as 3D mapping, machine guidance and data analytics, with a clear focus on customer value creation, as well as pursuing the use of AI and digital tools in supply chain and inventory management, forecasting, service support and customer responsiveness.

L&T Valves Limited (LTVL)

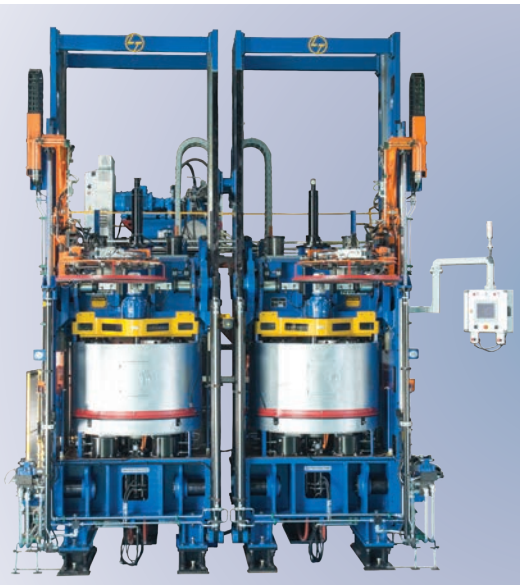
The medium- to long-term outlook for the industrial valves business remains structurally positive, supported by investments in energy security, infrastructure development and industrial capacity expansion. While short-term demand may be subject to geopolitical developments, evolving energy transition policies and macroeconomic conditions, the underlying end-use fundamentals remain resilient.

Globally, investments across downstream oil & gas, petrochemicals, LNG infrastructure, gas transportation and water projects are expected to continue. Upstream investments may remain sensitive to crude price movements, while energy transition-related projects are expected to progress in phases as regulatory and techno-commercial frameworks mature. In India, sustained investments across refining, petrochemicals, city gas distribution, pipelines, LNG terminals, thermal power augmentation and water infrastructure are expected to support continued demand. Defence and nuclear segments also present long-term opportunities, supported by indigenisation initiatives and strategic programme execution. LTVL's diversified portfolio, strong engineering capability, global footprint and focus on life-cycle services are expected to support growth.

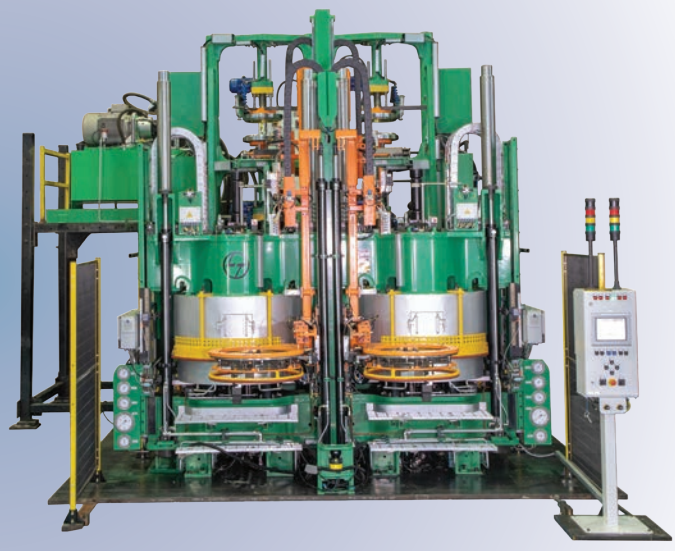
L&T Construction Equipment Limited (LTCEL)

The outlook for construction equipment and hydraulic systems remains stable, supported by continued investments in infrastructure, mining and urban development. Replacement demand and localisation trends are expected to provide additional demand stability.

While export demand may remain subdued in the near term, medium-term opportunities are expected to emerge as global infrastructure spending improves. LTCEL's focus on customised solutions, operational efficiency, safety, sustainability and customer partnerships is expected to support steady growth.



Truck Bus Hydraulic Tyre Curing Press



Floor Mounted Passenger Car Hydraulic Tyre Curing Press

Rubber Processing Machinery Business (RPM)

Global tyre demand is expected to grow steadily, driven primarily by replacement demand and the gradual penetration of electric vehicles. However, near-term capital expenditure by tyre manufacturers in developed markets is expected to remain selective, influenced by moderated vehicle production, cost pressures and regulatory requirements.

India's tyre industry is anticipated to sustain growth momentum, supported by infrastructure-led freight movement, export orientation and policy support for domestic manufacturing. Increasing focus on energy efficiency, sustainability and automation is expected to drive demand for advanced tyre machinery solutions. RPM's diversified offerings, strong domestic position, engineering strength and growing services portfolio are expected to support steady performance.

Human Resources

L&T's human capital strategy is closely integrated with its transformation agenda, with a strong emphasis on digital capability, engineering excellence and ESG leadership. The Company is committed to building a safe, inclusive and high-performance work environment that empowers talent, prioritises well-being and fosters continuous learning in alignment with evolving business needs.

The Human Capital framework is anchored in five strategic pillars:

- Performance-driven growth with purpose and accountability
- Future-focused learning and digital capability building
- Scalable talent development for emerging business opportunities
- Diversity, equity and an inclusive culture
- Holistic well-being and workforce resilience

These pillars are aligned with L&T's long-term strategic roadmap, reinforcing the Company's ambition to be a technology-led, globally competitive organisation. By investing in people, strengthening leadership pipelines and nurturing critical skills, human capital development remains central to sustained business success and stakeholder value creation.

Campus Hiring and Student Engagement

During FY 2025-26, L&T's Young Professional Talent Acquisition team continued to strengthen the Group's talent pipeline by recruiting and onboarding over 2,200 Graduate Engineering Trainees (GETs) and Postgraduate Engineering Trainees (PGETs) across businesses within the L&T Group from premier institutes such as IITs, NITs and other reputed government colleges.

The Company also onboarded over 1,100 young professionals comprising MBA graduates, Chartered Accountants, Cost Accountants, Diploma Engineers and other trainee cadres. This diverse intake further reinforces the Company's position as a preferred employer for emerging professional talent within India's engineering, technology and infrastructure sectors.

Following their onboarding, young professionals progress into Navis - a structured capability development programme for GETs, PGETs and lateral hires. The programme is designed to enhance role readiness while strengthening the retention of high-potential talent. The programme offers a 90-day to 1-year learning journey combining hands-on functional training, self-paced modules and periodic assessments.

Campus Engagement

L&T's campus outreach extended to over 260 institutions nationwide, reflecting the Company's sustained engagement with premier engineering and management institutes across the country.

CreaTech, the Company's technology case competition for engineering students, attracted over 14,500 participants from more than 220 engineering institutions. The competition provided students with exposure to real-world engineering problems while enabling L&T to identify high-potential talent and gather innovative ideas relevant to its project ecosystem.

Similarly, OutThink, L&T's national business case competition for premier management institutes, engaged over 6,700 students forming more than 2,200 teams from 34 leading B-schools. Together, CreaTech and OutThink expanded L&T's campus engagement across more than 260 institutions, generating 1 crore+ digital impressions and creating a strong platform for industry-academia collaboration while strengthening L&T's reputation as an employer of choice among India's emerging engineering and management talent.

Talent Management

- **Talent Identification**

  L&T's performance management system differentiates, recognises and rewards talent, while its integration with career development and succession planning ensures seamless leadership transitions. High-potential employees are identified and nurtured through Development Centres (DC) and the Technology Leadership Programme (TLP), which provide participants with clear insights into their strengths and development areas.

  In FY 2025-26, over 2,000 employees were assessed through DCs, following which Individual Development Plans (IDPs) were prepared to support their personalised growth journeys.

- **Talent Review**

  The Talent Council, comprising business heads, HR and senior executives, plays a key role in identifying and developing future leaders. Through in-depth reviews, the Council designs a personalised development plan based on each candidate's strengths and growth areas. Interventions include cross-functional projects, training, leadership shadowing and coaching. A dedicated digital tool supports this process by tracking progress. This structured approach strengthens leadership capabilities and ensures business continuity.

Performance Management System (FAIR Process - Framework for linking Appraisals with Incentives and Rewards)

L&T's continued success rests on the foundation of a high-performance culture. The performance management philosophy is based on the principles of meritocracy, entrepreneurship, teamwork and continuous learning and development. Performance Management System rewards excellence in performance through –

- Performance planning
- SMART goal setting
- Cascading of goals
- Continuous review, monitoring, feedback and coaching
- Focusing on learning, development and growth
- Fair and objective assessment of performance

ESG Linkage to Performance and KPIs

The Company recognises that long-term value creation is closely tied to its ESG performance, and therefore KRAs and KPIs linked to ESG are embedded into performance management systems. Key ESG metrics are integrated into business/project-level performance indicators and individual KRAs. The performance on these KRAs is linked to annual performance appraisals, thus reinforcing a culture of ownership and impact.

Learning & Development

Learning & Development (L&D) has emerged as a strategic growth enabler — strengthening leadership depth, improving execution predictability and accelerating enterprise-wide capability transformation. The L&D agenda is designed to help leaders and teams make decisions more effectively and efficiently, execute with discipline across risk and interfaces, and adopt digital and AI capabilities to enhance productivity, quality and long-term value creation.

Through this integrated and forward-looking approach, L&T continues to translate its legacy of learning into sustained organisational performance.

At the heart of the leadership pipeline systems will be the LEAP programmes. They represent a deliberate reimagining of leadership development at L&T, integrating best-in-class global learning experiences with a structured, enterprise-wide approach to building leadership capability at scale. The focus is not just on developing individual leaders, but on shaping an ecosystem of leadership that is agile, enterprise-minded and equipped to navigate complexity, drive transformation and sustain long-term value creation.

L&T's L&D architecture: three leadership archetypes

To provide a consistent and scalable approach across businesses, L&T's capability system is structured around three enterprise archetypes — Business Leadership, Project Leadership and Technical Leadership.

- **Business Leadership**

  Our flagship programme of Seven Steps Leadership Development and Ascent adopts an integrated approach towards development of leadership competency, and this continues to strengthen the talent bench thus ensuring a seamless transition into future leadership roles.

  L&T's Management Development Programmes (MDPs) build functional management capability through structured learning delivered with premier B-schools. Executive and Supervisory Development Programmes (EDPs and SDPs) further support leadership development in collaboration with SIBM and NMIMS.

  WINSPIRE is L&T's targeted leadership development initiative for women, designed to address distinct career inflection points through cohort-based, customised journeys for early- and mid-career professionals. The structured programme builds capability, confidence and leadership readiness, strengthening L&T's women leadership pipeline, with over 900 women leaders developed since its launch.

- **Project Leadership**

  Project leadership is central to L&T's EPC and infrastructure businesses, where success depends on rigorous planning, risk management, stakeholder alignment and disciplined execution. The L&T Institute of Project Management (IPM) anchors leadership development through structured programmes, knowledge sharing and institutional partnerships.

As project size and complexity increase, L&T has institutionalised the Project Director Academy (PDA) within IPM to build a strong and sustainable pipeline of project directors.

- **Technical Leadership**

  Technical Leadership builds the specialist depth and site-ready capabilities critical for execution excellence. The Corporate Technology & Engineering Academy (CTEA) serves as L&T's technical capability engine, delivering hands-on, role-based learning through advanced labs and applied environments.

  The Precast Technology Lab offers immersive end-to-end exposure to precast systems, simulating real-world execution conditions. CTEA also strengthens job readiness among early-career engineers through structured programmes for PGETs, GETs and DETs, and anchors the Front-Line Supervisor (FLS) development agenda by transforming skilled workforce personnel into effective site supervisors.

  In addition, L&T supports higher education through initiatives such as the Build India Scholarship, enabling engineers to pursue M.Tech. programmes in Construction Technology & Management in partnership with premier institutions.

AI-enabled workforce transformation: building enterprise AI readiness

To build enterprise-wide awareness and responsible adoption of emerging technologies, the ATLVarsity launched focussed programme, 'Demystifying AI & GenAI' to strengthen foundational AI literacy across roles. Over 32,000+ employees have engaged in the programme, reinforcing L&T's commitment to AI readiness at scale.

Key areas where AI / GenAI tools are used to improve L&D team productivity and providing a personalised user experience are:

- Accelerated Content Development
- Hyper-personalisation at Scale
- AI-enabled Coaching & Skill Development

HR Digitalisation Initiatives

L&T undertook a comprehensive role-based organisation structuring and digital system enablement exercise to strengthen governance, organisational clarity and enterprise-wide process integration. The initiative has significantly improved operational efficiency, governance and workforce visibility across businesses.

L&T introduced HEERA Plus, a next-generation Generative AI-powered HR platform that enhances employee experience through real-time HR support using enterprise-wide knowledge and data. Complementing this, the AI-enabled Leadership Assistant empowers HR professionals and business leaders with insights on policies, workforce analytics, talent management and people decision-making, marking a significant step in L&T's AI-led HR transformation journey.

To improve alignment between organisational priorities and individual performance outcomes, L&T introduced MyGoal, an AI-supported goal-setting framework that assists managers and employees in quickly defining sharper, measurable and role-aligned goals.

The Company continued to modernise its talent acquisition ecosystem through the introduction of AI-driven recruitment solutions. The organisation implemented a structured multi-stage digital selection framework comprising AI-based resume screening, intelligent candidate matching, AI-enabled assessments and AI-supported interview mechanisms to improve objectivity and role fitment.

Diversity, Equity and Inclusion

The organisation has taken significant steps to strengthen diversity, equity and inclusion through structured policies, leadership development initiatives and enabling workplace practices.

The continued emphasis on a safe workplace, with zero-tolerance approach to sexual harassment, has been reinforced through the implementation of a gender-neutral POSH policy, supported by a newly introduced Case Management System Portal that enables transparent reporting, monitoring and investigation of cases.

Sustained efforts over the years have contributed to a steady improvement in gender diversity at L&T, representing approximately 5,300 women employees across the organisation.

Employee Experience and Engagement Initiatives

L&T Ignite, a first-of-its-kind, company-wide talent platform launched this year, provided employees with a vibrant stage to showcase their diverse talents beyond the workplace. Bringing together over 1,500 participants across categories such as music, dance, art and creative expression, the initiative celebrated the multifaceted spirit of L&T-ites.

L&T Radio is a unique, in-house digital storytelling and engagement platform that brings the voice of L&T employees to life through curated podcasts and thematic series. With 170+ episodes spanning leadership journeys, business insights, wellness and employee experiences, it has evolved into a powerful medium for knowledge sharing and cultural connect across the organisation.

L&T QuizWiz is a flagship knowledge and engagement initiative that brings together employees across businesses through the spirit of healthy competition and continuous learning. From the participation of 1,500 employees in its inaugural season to over 3,600 in its fifth edition in FY 2025-26, QuizWiz has emerged as one of the most cerebral and anticipated fixtures in the Company's events calendar.

Hi5 Plus, L&T's integrated gamified platform for Appreciation & Recognition and Health & Wellness, engages 30,000+ active users and has powered over 200 Stepathon, Walkathon and corporate challenges across the organisation.

As part of ensuring an enhanced onboarding experience, Pulse Engage surveys are conducted through the HEERA chatbot at critical milestones (7 days, 30 days, 60 days and 180 days) for new joiners. This year, over 8,000 lateral new hires and 2,800 campus hires responded to these surveys.

Employee Wellness: Enabling Sustainable Performance and Resilience

Over time, L&T's wellness initiatives have evolved into an integrated, enterprise-wide ecosystem, centrally stewarded and delivered through reputed external partners. Programmes such as Mindfulness and Art of Living have been institutionalised across the organisation, complemented by Panchakosha Wellness Workshops conducted with IIT Bombay faculty, offering a holistic approach to well-being rooted in ancient Indian wisdom and modern science.

Regular workshops and training on mental health awareness, stress management and self-care techniques are conducted to help employees maintain their mental well-being.

During the year, the Company facilitated mental health counselling services both internally and through external providers. These services ensure employees have confidential access to counselling, mental health resources and support for both personal and workplace challenges.

Mental Health First Aider Training was conducted for two batches of 50 employees each, equipping participants to identify mental health concerns, support individuals in need and guide them to professional help.

L&T HR Conclave 2026

HR Conclave served as a powerful platform to reimagine the future of human resources, bringing together senior leaders, industry experts and HR practitioners to deliberate on building a future-ready organisation. Centred around the theme of reinventing HR for the next decade, the conclave witnessed insightful discussions around themes like 'Building Leaders for a 10x World', 'AI Curiosity to AI Advantage' and 'Culture as a Performance Multiplier'. The event reinforced L&T's commitment to positioning HR as a strategic driver of business excellence, a tool for fostering innovation and agility, and a commitment towards people-centric approach to scale, speed and sustainable performance.

Future Forward – HR Strategy

The HR function will continue to serve as a strategic partner to business through a forward looking approach. This will involve HR playing the role of a key enabler towards achieving the Lakshya objectives, with emphasis on strengthening leadership capacity through selective critical talent induction and grooming in-house talent to take on greater responsibilities.

Digital Transformation, Artificial Intelligence and Information Technology

Digitalisation and AI - Key to Enterprise Transformation and Resilience

At L&T, the Technology function continues to play a pivotal role in enabling business growth, enhancing operational efficiency, strengthening governance and building digital resilience. During FY 2025-26, the Group sustained its focused investments in digital platforms, AI-led innovation, cybersecurity and enterprise standardisation, in alignment with long-term business priorities and evolving stakeholder expectations.

These initiatives reinforce the Company's commitment to operational excellence, scalable growth, regulatory compliance and sustainable value creation.

The following outlines the key IT initiatives undertaken during FY 2025-26:

1. **Digital Transformation, AI and Automation**

   The Group's Technology function intensified its focus on AI-led transformation and intelligent automation to improve productivity, decision-making and customer experience.

   - Continued expansion of AI and GenAI-based use cases across business functions, including engineering, project execution, finance, HR and shared services
   - Scaling of enterprise AI platforms and data foundations to support responsible, secure and reusable AI innovation
   - Increased adoption of automation and workflow digitalisation driving process efficiency, accuracy and turnaround-time improvements
   - Strengthening of enterprise integration and low-code / no-code capabilities to accelerate business-led digital solutions within governance frameworks

   These efforts enabled faster business responsiveness while ensuring architectural consistency and risk controls.

2. **Enterprise Platforms, Data and One L&T Approach**

   FY 2025-26 witnessed significant strides in standardisation and convergence under the overarching One L&T philosophy.

   - Advancements in consolidating enterprise platforms such as ERPs, collaboration tools, identity management systems, network infrastructure and asset visibility mechanisms
   - Strengthening of group-wide data and application governance
   - Focus on data consolidation enabling advanced analytical capabilities, reporting and AI readiness
   - Expansion of unified portals, contributing to consistent user experience, greater transparency and improved collaboration across businesses which create more streamlined, efficient and secure work environment that benefits both employees and the organisation as a whole

   These initiatives support scalability, cost optimisation and improved enterprise-wide visibility. With a focus on platform-led transformation, innovation and operational excellence, the Company remains committed to delivering sustained value to its stakeholders.

3. **Compliance, Governance and Risk Management**

   IT governance and regulatory compliance is key focus area for the organisation. The Company sustained compliance with ISO 27001:2022 and other relevant standards through ongoing controls, audits and continuous improvement initiatives. In addition, L&T continues to strengthen its application governance, asset visibility and life-cycle management across businesses. Further, the Company has enhanced monitoring, reporting and controls to support regulatory, audit and investor requirements, ensuring transparency and accountability. These measures reinforce trust with stakeholders while reducing operational and regulatory risk.

4. Cybersecurity and Digital Resilience

With an evolving threat landscape, cybersecurity continues to be a board-level priority to prevent cyber-attacks. The following measures are being taken on an ongoing basis:

- Strengthening of the Central Cyber Security Operations Centre (C SOC) to provide group-wide visibility, monitoring and coordinated incident response
- Deployment of advanced security technologies, including AI-driven threat detection, endpoint, data center, network, mobility protection and cloud security controls
- Ongoing cyber awareness and training programmes conducted across the organisation to enhance employee vigilance and preparedness
- Maintaining compliance with applicable cyber regulations

These measures reinforce trust with stakeholders while reducing operational and regulatory risk.

5. Sustainability and ESG Enablement

Technology continues to play a key role in enabling L&T's sustainability and ESG objectives.

- Continued enhancement of digital platforms to capture, monitor and report ESG metrics, including energy, emissions, water, waste and compliance data
- Integration of ESG data with enterprise systems to support regulatory disclosures, management reporting and internal benchmarking
- Adoption of cloud and digital solutions to improve resource efficiency and support sustainability goals

Outlook and Strategic Priorities

Looking ahead, the Group Technology function will continue to act as a strategic business enabler, with key priorities including:

- **Scaling AI Responsibly:** Expanding enterprise AI and GenAI solutions with strong governance, ethics and security
- **Deepening One L&T Adoption:** Advancing One Identity, One Network, One Data, One Asset and unified digital experiences
- **Industry 5.0 Enablement:** Leveraging human-machine collaboration to drive productivity, safety and sustainability
- **Cyber Resilience by Design:** Strengthening security architectures, zero-trust adoption and future-ready encryption
- **Data-Driven Enterprise:** Enhancing real-time insights, advanced analytics and decision intelligence

Through these strategic investments, the Technology function will continue to support L&T's growth ambitions, operational excellence and leadership as a digitally-enabled engineering and construction major.

AWARDS AND ACCOLADES



Gold Award at the ET Human Capital Awards (ETHCA) 2025

The Company has been ranked as the 9th most valuable brand in India in the Brand Finance India 100 report of 2025. During the year, L&T's businesses have won many awards and accolades. Some of the noteworthy ones are mentioned below:

Human Resources

- Great Place to Work – certified for third year in a row
- Gold Award in the category of 'Excellence in AI for Learning & Development' at the ET Human Capital Awards (ETHCA) 2025
- Ambition Box – Employee Choice Awards 2025 – in the categories of 'Top Rated Construction Companies' and 'Top-Rated Mega Companies'
- 'BW People HR Excellence Awards 2026' – Silver in Best Digital Learning Transformation Programme and Gold in Best Use of AI in Learning
- Recognised with Silver Award in the category of 'Excellence in Learning & Development' by Financial Express at FE HR Awards 2025
- Recognised as one of the 'Top 100 Best Companies for Women in India' by AVTAR & Seramount 2025 and in Conglomerate category
- Recognised as first runners-up in category of 'Excellence in Learning & Development' at the SHRM HR Excellence Awards 2025
- Recognised as one of the Top 25 Companies for 'Excellence in Women in STEM' at CII Awards for Women in Excellence 2025
- Recognised at the FICCI Women Empowerment Awards 2025 for DEI initiatives

Heavy Civil Infrastructure

- 'Infra Company of the Decade' was conferred by EPC World Media Group in recognition of outstanding contribution to the infrastructure sector
- CII Design Excellence Awards at the 25th CII Global Design Summit & Exposition saw the business secure seven top honours for 'Made in India' designs
- MIT-WPU Excellence Award recognised achievements in road and railway tunnel projects
- National Project Excellence Award 2025 was received for the MAHSR C4 Package – in recognition of exemplary project execution
- Recipient of CII Environmental Excellence Award 2025 for initiatives in biodiversity conservation
- 'Sustainability Project of the Year' at the Global Project Controls Awards recognised excellence in sustainable project delivery



Recognised as first runners up in category of Excellence in Learning & Development at the SHRM HR Excellence Awards 2025

Power Transmission & Distribution

- MEW-5 Substation Project, Kuwait awarded 'Power Transmission Project of the Year' at MEED Awards 2025
- TLT Manufacturing Unit, Pithampur named Joint Winner (Global Round) at IAQ Quality Sustainability Awards

Renewables

- MEED Projects Awards 2025 - Ar Rass 2 Project chosen as a National Level Winner – KSA in Power
- Middle East Clean Energy week 2025 – Amaala Utilities chosen as Best Solar Project of the Year under Hybrid category
- DEWA-VI Project was selected as Winner by Solar Quarter MENA at the 2nd Edition of Solar Week UAE Leadership Awards 2025 – Best Solar Project of the Year (Utility)

Energy Hydrocarbon – Offshore

- National Project Excellence Award (NPEA) 2025 for Tapti Decommissioning Project
- MFF Kattupalli received Safety Excellence Award from World Safety Organization
- MFF Hazira received RoSPA Gold Award at ICC National Occupational Health & Safety Conference
- Aramco's recognition for New Technology Adoption in CRPO 80-81

Energy Hydrocarbon – Onshore

- 'CII Gold Category Award for Excellence in EHS Practices' for two projects:
  - Residue Hydrocracker Unit (RHCU) for IOCL Panipat Refinery, Haryana
  - Diesel Hydrotreater (DHDT) Unit for IOCL Panipat Refinery, Haryana
- 'CII Silver Category Award for Excellence in EHS Practices' for two projects:
  - IOCL RHCU
  - IOCL DHDT
- 'Indian Chamber of Commerce (ICC) OHS Gold Awards 2025' for one project:
  - Mono Ethylene Glycol (MEG) for Reliance Industries Limited (RIL), Kakinada, Andhra Pradesh
- 'Indian Chamber of Commerce (ICC) OHS Silver Awards 2025' for one project:
  - Dual Feed Cracker Unit (DFCU) for HPCL Rajasthan Refinery Limited (HRRL), Barmer, Rajasthan



Certificate of Achievement (Within the Fence), CII-National Awards for Excellence in Water Management 2025

- WSO 5 Star Platinum Award for Most Outstanding Performer in EHS for three projects:
  - Residue Upgradation Facility (RUF) for HPCL Vizag Refinery, Visakhapatnam, Andhra Pradesh
  - IOCL RHCU
  - Hydrogen Gas Unit (HGU) for Mitsubishi Heavy Industries (MHI)
- Best EPC Contractor Award for Mastergas PKG 8 Project in Master Gas System Expansion - III Programme by Saudi Aramco

CarbonLite Solutions

EEPC National Award for Excellence in Export of Engineering Services won by L&T-Sargent & Lundy Limited

Heavy Engineering

- EEPC Award for Export Excellence
- CFBP Jamnalal Bajaj Uchit Vyavahar Puraskar 2025-26 in the category of Manufacturing Enterprises-Large
- Recipient of 'Golden Peacock Award for Energy Efficiency 2025' at the 26th International Conference on Environment Management & Climate Change
- Recipient of 'CII National Best Practices Awards on Future Ready Manufacturing'
- Recipient of 'CII-ITC Sustainability Award for Excellence in Environment Management'
- Awarded as Exemplary Project in categories 'Harnessing Global Expertise for Ultimate Sustainable Energy Security Award' and 'National Project Excellence Award' for the Cryostat Project at 33rd Global Symposium and 7th World Project Management Forum (WPMF) Meet 2025
- Vadodara Heavy Engineering Works received the National Award for 'Outstanding Industrial Relations' from the All India Organization of Employers (AIOE), linked with FICCI

Precision Engineering and Systems

- Recipient of the prestigious 'Champion of Champions' Award from Raksha Mantri at SIDM Champion Awards 2025 for Waterjet Propulsion and Submarine Escape Training Tower (SETT) Projects

LTM

- Honoured as 'Google Partner of the Year 2025 for Industry Solutions in Manufacturing' for the second year in a row



Recognised as Top Rated Construction Companies & Top-Rated Mega Companies by Ambition Box – Employee Choice Awards 2025

- At the annual Snowflake Summit 2025, honoured with the 'Manufacturing & Industrials Data Cloud Services Partner of the Year Award' by Snowflake, the AI Data Cloud company
- Recognised as one of the Strategic Global Partners featured in Microsoft's FY26 Agentic AI Playbook
- Recognised at the CII National HR Excellence Awards in 'Significant Achievement in HR Excellence' category
- Won the '2025 Salesforce Partner Innovation Award' for Manufacturing for its industry expertise and commitment to driving growth through innovation and agility
- Recognised with the 'Cisco CX Visionary Workplace Award' for rapid modernisation of LTM's infrastructure, a testament to the strategic 360° relationship

L&T Technology Services

- Inducted into John Deere Supplier Hall of Fame for Five Consecutive Years of Excellence
- Recognised among CII's Top 20 Most Innovative Companies
- Rated as 'Leaders in Digital Engineering Services 2025' by Avasant
- Rated as Leaders in HFS Semiconductor Horizons: The Best of Service Providers across the Value Chain, 2025
- Rated as 'Leader in Oil & Gas for both EAM and AI & Cloud Services – US 2025' by ISG

L&T Semiconductor Technologies

- Received award of a 'Unique Manufacturer ID (UID)' by BIS, enabling secure IC Manufacturing for Critical Applications

Realty

- Received ISO 9001:2015 certification
- Great Place to Work in Real Estate Sector – certified for second year in a row
- National Safety Council Awards 2025 in the Merit Category for 'Workplace Health and Safety'
- 'Iconic Luxury Project (The Gateway)' recognition from Times Real Estate
- Awarded 'The CII-IGBC Net Zero Water pre-certification for Design'

CE & IPDD

Recognised with EEPC Export Award in 'Gold Plus' category under the CII-EXIM Bank Award for Business Excellence 2025

Green Energy

'Pioneers of Energy Transformation' at The ET Edge Global Sustainability Alliance – Transformation Series 2025



Recognised with Silver Award in the category of 'Excellence in Learning & Development' by Financial Express at FE HR Awards 2025

Hyderabad Metro

- 'Economic Times – Railway Safety Excellence Award 2025' for outstanding safety performance
- 'Platinum 5 Star Trophy' at the 4th World Safety Organization (WSO) India Conference & Awards
- Recognised with 'Excellent Energy Efficient Unit Award' at the CII National Award for Excellence in Energy Management 2025
- Recognised with 'Platinum Award' at the 53rd CII National Kaizen Competition' for continuous improvement and operational excellence

Nabha Power

- Recognised as 'Best Performing Supercritical Power Plant having Lowest Auxiliary Power Consumption' by Centre of Science and Environment (CSE)
- Winner: Gold Award for 'Occupational Health, Safety and Environment (OHSE) Excellence 2025' in the Thermal Power Generation category hosted by the International Business Conferences (IBC)
- Won in the category of 'Energy Efficient Unit' from CII at National Award for Excellence in Energy Management 2025
- Won Innovation Award for 'Energy Conservation achieved by installing ACW Booster Pumps' presented by Independent Power Producers Association of India (IPPAI)

Sustainability

- Awarded 'Sustainability Leadership Excellence' in 3rd Annual Sustainability Symposium by Indian Chambers of Commerce
- Won Mahatma Award 2025 for ESG Excellence, awarded by Mahatma Foundation
- Recognised in Perpetual Capital Hurun India Impact 50 2026 list
- Rank 5 amongst Most Sustainable Companies in the Engineering and Electrical & Electronics sector, and Rank 10 overall, at Business World's India's Most Sustainable Companies (IMSC) Awards 2026

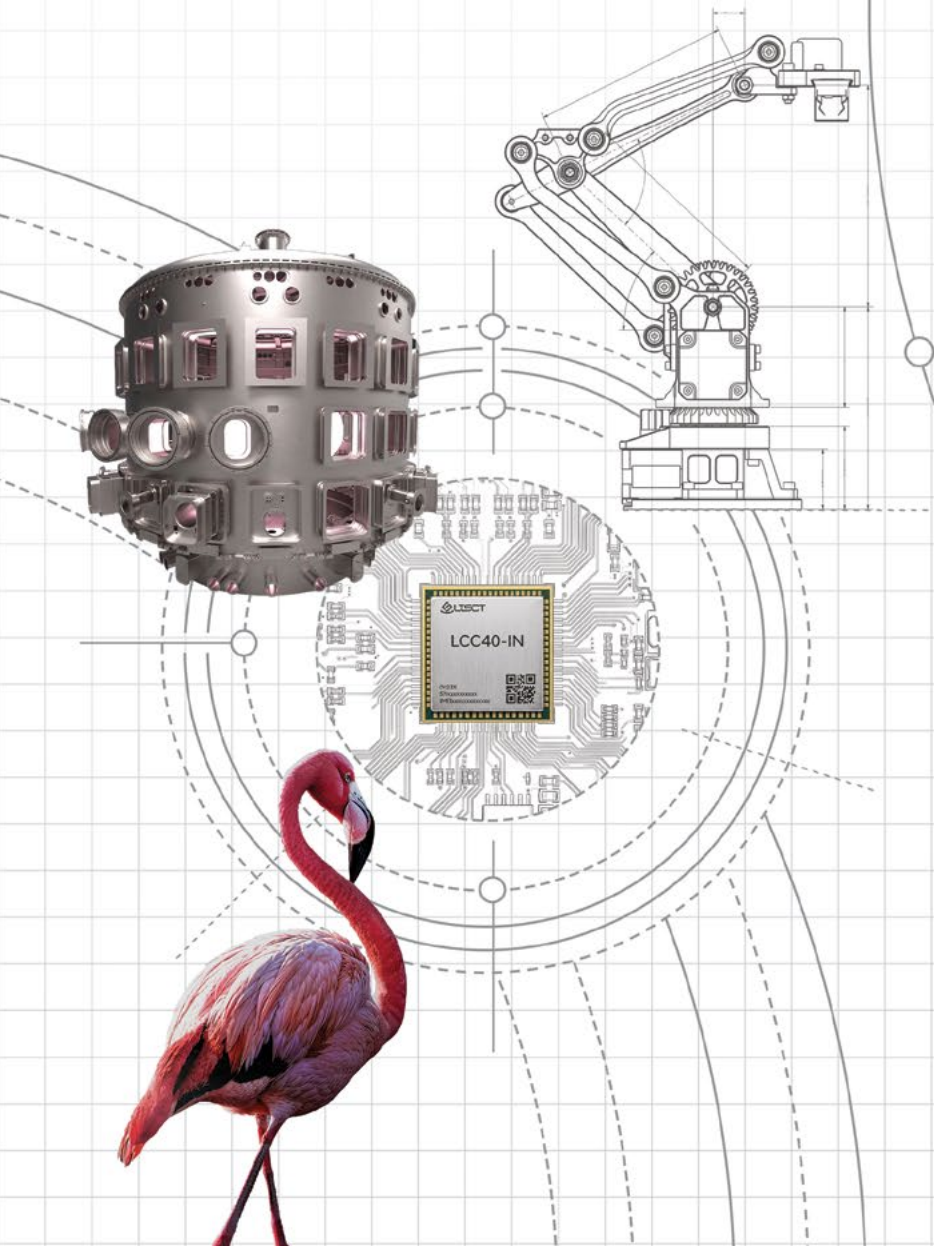
Corporate Social Responsibility

- L&T's Unnati Project honoured with "Significant Achievement Award" at the 19th CII-ITC Sustainability Awards
- CSTIs honoured with six awards from Brandon Hall- 1 Gold, 2 Silver & 3 Bronze Awards
- L&T Heavy Engineering honoured with Aether Award for Outstanding Achievement Award in Social Welfare" from Southern Gujarat Chamber of Commerce (SGCCI) Golden Jubilee Memorial Trust
- Won Mahatma Award 2025 for CSR Excellence

INTEGRATED REPORT

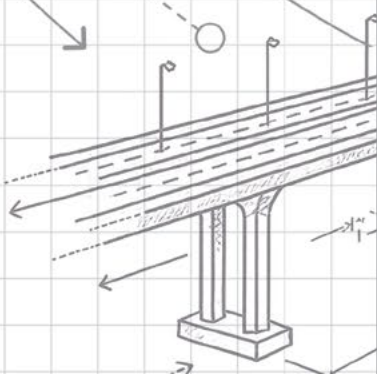
Forward-looking Statement

This section contains forward-looking statements based on reasonable assumptions and past performance. These involve risks and uncertainties and may differ materially from actual results due to changes in industry trends, market conditions, regulations, and other factors. The Company makes no assurance that such statements will prove accurate.









Approach to the Sustainability Disclosures

This section of the Integrated Annual Report highlights the approach to value creation for all stakeholders. It presents a comprehensive sustainability performance overview, encompassing value creation model, sustainability governance, material topics, stakeholder engagement and the six capitals. This disclosure goes beyond statutory requirements, offering a holistic view of the Company's goals, strategy and performance.

Reporting Framework, Guidelines and Standards

- Narrative sections adhere to the IIRC's <IR> Framework guidelines. These sections provide a comprehensive overview of the Company's performance and activities.
- Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines on Responsible Business Conduct (NGRBC), mandated by Securities and Exchange Board of India (SEBI).

Reporting Period, Scope and Boundary

This section covers relevant financial and non-financial information for the Company on a standalone basis. The information in this Report pertains to the period April 01, 2025 to March 31, 2026.

External Assurance

An independent reasonable assurance of the Company's BRSR Core parameters has been conducted by BDO India Services Pvt. Ltd.

NATURAL CAPITAL
▸ Pg. 210

MANUFACTURED CAPITAL
▸ Pg. 240

HUMAN CAPITAL
▸ Pg. 248

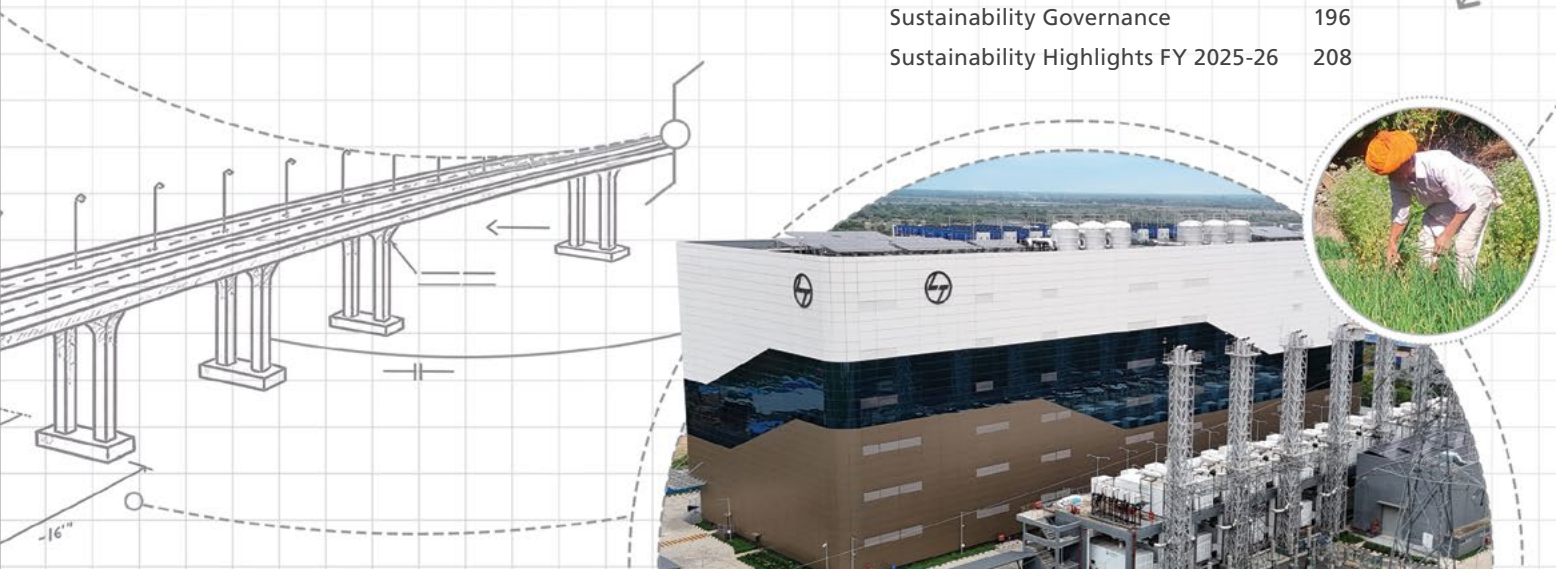
INTELLECTUAL CAPITAL
▸ Pg. 284

SOCIAL AND RELATIONSHIP CAPITAL
▸ Pg. 300

FINANCIAL CAPITAL
▸ Pg. 338

Other Chapters

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VALUE CREATION PROCESS

VISION, VALUES AND STRATEGY

Strategic Objectives

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

Strategic Enablers

- **SE-1** Operational Excellence
- **SE-2** Industry leading capabilities in digital and advanced technologies
- **SE-3** Financial resources and strong financial health
- **SE-4** Talent and Leadership pipeline
- **SE-5** Capability enhancement through innovation, R&D and partnerships



MATERIAL TOPICS

STAKEHOLDER ENGAGEMENT

GOVERNANCE: POLICIES, PROCESSES, RISK MANAGEMENT

VALUE CREATION

Business Models

NATURAL CAPITAL

MANUFACTURED CAPITAL

HUMAN CAPITAL

INTELLECTUAL CAPITAL

SOCIAL AND RELATIONSHIP CAPITAL

FINANCIAL CAPITAL

EPC Projects





Hi-Tech Manufacturing

The six Capitals are utilised through business processes to create assets and products linked to infrastructure, energy, oil & gas, metals, process plants and other sectors, and create value for the stakeholders.

Creating Value for

Customers

Shareholders

Employees

Supply Chain Partners

Government

Communities

VALUE CREATED

Productive Assets for Clients

Dividends and Buybacks

Employee Benefits and Capability Development

Business for Supply Chain Partners

Payment to Exchequer

Community Assets and Livelihood

VALUE CREATION MODEL

Input

Natural Capital

Water Consumed: **12.7 Mn kl**
Energy Consumed: **10.2 Mn GJ**
Spend on Environment[1]: **₹ 159 Cr**
Material Consumed (Mn tonnes):
- Cement: **3.2**
- Sand: **5.1**
- Ferrous: **1.8**

Manufactured Capital

Active Project Sites: **630**
Manufacturing Facilities: **22**

Human Capital

Employees: **59,403**
Worker: **3,78,039**
Gender Diversity: **9.6%**
Safety Training Hours: **7.4 Mn**

Intellectual Capital

R&D Spend (cumulative of 3 years): **₹ 524 Cr**
IPR filed: **49**
R&D Engineers and Scientists: **90**
Active Collaborations and Partnerships[2]: **42**

Social & Relationship Capital

CSR Spend: **₹ 189.9 Cr**
CSR Partners: **66**
Sourcing from MSME: **11%**
Memberships of Industry Chambers: **63**

Financial Capital

Order Book: **₹ 6,13,235 Cr**
Net Current Assets: **₹ 35,958 Cr**
Net Fixed Assets: **₹ 13,712 Cr**

Business Processes and

L&T BUSINESS EXCELLENCE MODEL

VALUE ENGINEERING


Residential Spaces


Mass Transit and Railways

LEAN OPERATIONS


Data Centres


Hydel Power Plants


Water Treatment Plants

INTEGRATED ENGINEERING


Oil & Gas Facilities


Process Plant Equipment

[1] *Spend on environmental management: pollution control, environmental monitoring, waste management, wastewater treatment etc. improve project delivery and increase customer satisfaction*

[2] *Partnerships with universities, academic and research institutes, start-ups.*

Offerings

SPEED & SCALE

DIGITALISATION


Elevated Corridors


Urban Tunnels

AUTOMATION


Solar Power Plants


Nuclear Power Plants

INNOVATION


Refining and Petchem Plants


Ferrous and Non-ferrous Plants

GLOBAL SOURCING


Launch Vehicles

Output

GHG Emissions: 0.9 Mn tCO_2e
GHG Emission Intensity: 5.9 tCO_2e/₹ Cr
Water Offset Created: 4 Mn kl

SDG Linkage



Green Business (Revenue): ~₹ 78,700 Cr
Building Infra Created[3]: 67.1 Mn sq. ft.
Mobility Infra Created[4]: 623
Bridges & Tunnels: 122 km
Power Infra Created:
- Transmission Lines: 6,900 ckm
- Solar Power Capacity: 8,006 MWp
- BESS Capacity: 1,014 MWp

Water & Sanitation Infra Created[5]:
- Water Storage Capacity: 572 Mn ltr
- Treatment Capacity: 1,173 Mn ltr/day

Factory Output : 3,00,493 tonnes



Revenue per Employee: ₹ 2.6 Cr
Women in Senior Management: 130
Accident-free Working Hours: 1,369 Mn



IPR Granted: 9
Value Engineering Projects[6]: 207



CSR beneficiaries: 1.9 Mn
Contribution to Exchequer: ₹ 7,742 Cr
Complaints Received[7] : 1,694
Complaints Resolved : 1,503



Turnover: ₹ 1,53,680 Cr
PBIT: ₹ 17,938 Cr
Dividend Payout: ₹ 5,227 Cr
Return on Net Worth: 8.59%



[3] Also includes Green Building (19.7 Mn sq. ft.)

[4] Mobility Infra created includes Roads (169 lane km), Rail electrification (166 track km), Rail track (174 track km) and Mass Transit-viaducts (115 km)

[5] Also includes Irrigation Capacity (1 lakh ha) and Water Pipelines (0.5 lakh km)

[6] Initiatives for improving processes, products and services to reduce cost, improve project delivery and increase customer satisfaction.

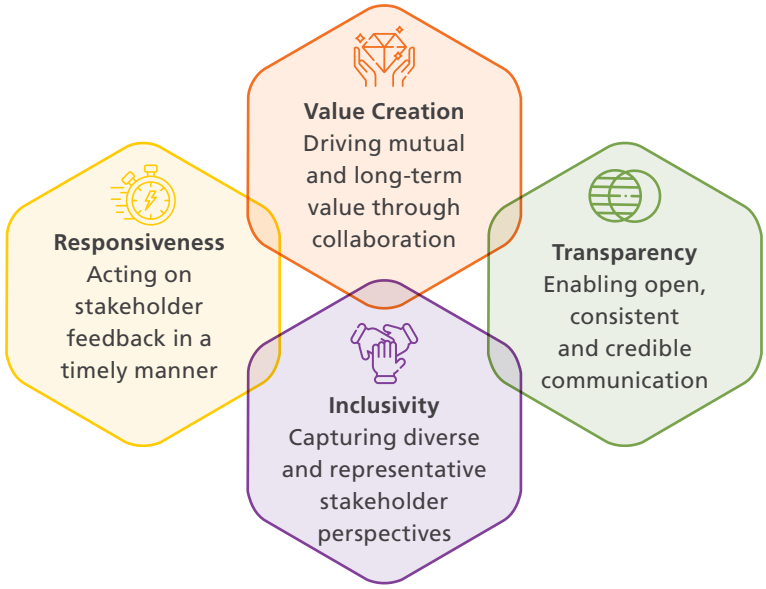
[7] Across the stakeholders, for breakup refer to Section A in BRSR.

Driving Stakeholder Engagement

Stakeholder engagement is integral to L&T's business and sustainability strategy and is recognised as a key enabler of long-term value creation, responsible growth and effective risk management. Operating across diverse geographies, sectors and value chains, the Company proactively engages with stakeholders to build trust, foster collaboration and respond to evolving expectations in a transparent and accountable manner.

L&T adopts a structured, continuous and inclusive approach to stakeholder engagement to understand material concerns, inform decision-making and align its actions with strategic priorities and ESG commitments. Insights gathered through engagement shape business strategy, strengthen operational agility and enhance the Company's ability to deliver sustainable outcomes across the value chain.

Core Principles of Engagement



Engagement Approach and Governance

Stakeholder engagement at L&T is embedded within its governance framework, policies and management processes. Oversight rests with the Board and its CSR & Sustainability Committee, with senior management accountable for translating stakeholder insights into strategic and operational actions. Engagement outcomes inform, among others:

- Business strategy and capital allocation
- Project execution and operational excellence
- Materiality and ESG priority setting
- Enterprise risk identification and mitigation
- Policy development and disclosures

Stakeholder inputs also form a core component of the Company's double-materiality assessment, ensuring that both business impacts and stakeholder concerns are systematically evaluated.

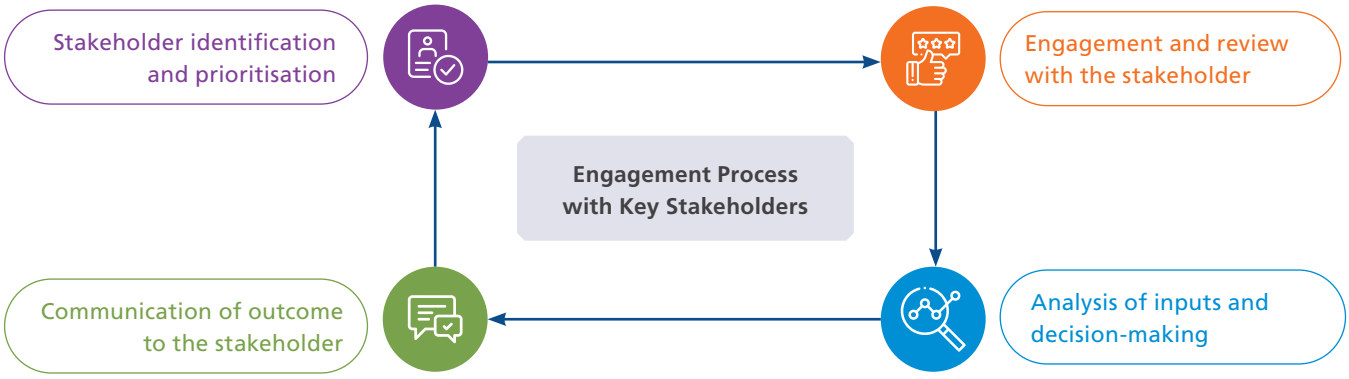
The Company engages with a diverse range of stakeholders who influence, or are influenced by, the operations — including employees, customers, investors, shareholders, supply chain partners, regulators, communities, media and civil society organisations. Key stakeholder groups are periodically reviewed based on their influence and impact on the business, ensuring focused and effective engagement. Key examples include:

Customers: Integration of feedback into contract execution, improving delivery timelines and quality benchmarks

Employees: Enhanced focus on engagement, safety, well-being and capability building

Supply Chain Partners: Strengthening ESG assessments and capacity-building initiatives to improve overall sustainability performance

Communities: Alignment of CSR programmes with local needs through structured assessments and ongoing consultations





Stakeholder Engagement Overview

L&T engages with a diverse set of stakeholders and engagement mechanisms are tailored to stakeholder needs, ranging from continuous project-level interactions to structured surveys and strategic forums.



Government

The government is a key driver of infrastructure development and digital transformation, and a critical customer for L&T. Government entities, including sovereign, sub-national, local bodies and public sector enterprises, account for over ~65% of the Company's revenue. Leveraging strong engineering and execution capabilities, L&T delivers nationally significant projects, reinforcing its position as a trusted nation-building partner.

- Contractual and periodic review meetings
- Representations - direct and through industry associations

- Ongoing, aligned with contract requirement

- Project progress and delivery milestones
- Concerns and support for fulfilling contractual obligations
- Resolution of issues/challenges
- Regulatory compliances and reporting requirements
- Advocacy for policy changes and inputs for new or existing legislations/rules

- Creating nation-building infrastructure
- Job creation and skill development
- Advancing sustainable infrastructure



Customers

Private sector customers constitute a significant segment for L&T, contributing approximately ~35% of the Company's revenue. Growth is driven by long-standing relationships built on execution excellence, reliability and customer satisfaction. These partnerships also enable collaboration with customers on areas including innovation, technology adoption and policy advocacy, thereby strengthening long-term value creation.

- Contractual review meetings
- Direct communication
- Customer satisfaction surveys and feedback
- Account management
- Visits and audits

- Ongoing, aligned with contract requirement
- Customer satisfaction surveys: annual/bi-annual/ project completion

- Quality and safety
- Timely execution and delivery of product/project
- Data privacy and confidentiality
- Updates and issues w.r.t. contractual obligations
- Collaboration on innovation and technology

- Customer satisfaction and enhanced customer experience
- Creation of high-quality, productive assets
- Long-term trusted business relationship and partnership

Legend

Engagement channels | Frequency | Key focus areas and topics of discussion | Value creation

Employees and Workers

The workforce, including employees and contract workers, is central to L&T's performance and success. An engaged workforce drives productivity, safety, quality and innovation, while promoting the Company's culture and reputation. Continued investment in well-being, capability building and engagement supports talent retention, boosts morale and sustainable growth.

- Leadership interactions and townhalls
- Employee feedback and engagement surveys
- Induction programmes, trainings, learning programmes
- Performance management process
- Complaints and grievance redressal processes
- Internal communication channels (digital and print) – circulars, broadcasts, magazines and newsletters
- Welfare initiatives and Employee Assistance Programmes
- HEERA: an AI powered employee assistant for HR queries
- Engagement events

- Continuous and need-based

- Work environment and organisational culture
- Professional development and career growth
- Health, safety and well-being
- Compensation and benefits
- Learning, development and career progression
- Business outlook, organisational strategy, policies, priorities and updates

- Enhanced skills and career growth
- Improved well-being and workforce morale
- Employee engagement and productivity
- Safe and inclusive workplace

Supply Chain Partners

L&T's global and complex supply chain, comprising over 1,00,000 partners, is integral to its operational excellence, innovation and resilience. Strong supplier partnerships ensure continuity of goods and services, while also advancing sustainability objectives in an increasingly dynamic and disruption-prone environment. The Company focuses on building collaborative, transparent and responsible relationships to enhance flexibility and long-term value creation.

- Supply chain partner conference and meets
- Leadership interactions and review meetings
- Contractual engagements and grievance redressal platforms
- Training and capacity-building programmes (online and offline)
- Sustainability supply chain assessment of critical supply chain partners
- Partner Portal enabling supply chain partners to manage profiles, update documents and track performance

- Ongoing, aligned with sourcing and contract requirements
- Annual partner engagements

- Contractual and non-contractual grievances, and resolution
- Capacity building and ESG assessments
- Sourcing, quality and service delivery
- Compliance to regulations and industry standards
- Performance monitoring and continuous improvement
- Quality control and improvements
- Risk management and contingency planning

- Strong, long-term and trusted partnerships
- Ethical, transparent and responsible supply chain practices
- Enhancing quality and ESG standards
- Knowledge sharing and innovation
- Enhanced supply chain resilience and risk mitigation
- Economic development of MSMEs
- Ensuring compliance with regulations

Legend

Engagement channels | Frequency | Key focus areas and topics of discussion | Value creation



Shareholders and Investors

Shareholders and investors are critical to L&T's growth, providing capital, shaping strategic direction and supporting innovation. The Company's focus on transparency, value creation and sustainable performance aligns closely with investor expectations, strengthening long-term confidence and trust.

- Investor meets and one-on-one/group interactions
- Integrated Annual Reports and other public disclosures
- Annual General Meetings (AGMs)
- Quarterly results communications
- Investor Relations (IR) function, exclusive section on the Company website at https://investors.larsentoubro.com/ , Dedicated email ID (igrc@larsentoubro.com) and contact nos. (India: 1800 209 4545, International: +91 22 67525899)
- Press releases, newsletters, digital platforms and social media
- Regulatory filings and stock exchange disclosures

- Continuous and need-based
- Quarterly performance updates
- AGM

- Business performance – financial and non-financial
- Strategy, outlook and capital allocation
- Governance, policies and risk management
- Sustainability priorities

- Strengthened investor trust and confidence
- Value enhancement – shareholder returns, dividends and buybacks
- Constructive inputs into strategy and governance



Communities and NGO Partners

Communities and NGO partners are key stakeholders in building trust, strengthening L&T's social licence to operate and creating shared value. Local communities provide insights into social, cultural and environmental contexts, ensuring that business activities are respectful, inclusive and responsive. NGO partnerships bring expertise and execution capability in social development and sustainability. Collaborating with these stakeholders not only supports long-term community well-being but also reinforces the Company's reputation, resilience and purpose-driven growth.

- Direct engagement and partnerships with NGOs and civil society organisations
- CSR programmes, including need and impact assessments
- Community visits and interactions with local representatives
- Engagement with village institutions and local bodies
- NGO Mela, Annual Conclave

- Need-based as required for specific programme or project
- Quarterly – NGO partners

- Need-based community development initiatives
- Local employment and livelihood generation
- Grievance resolution related to CSR implementation
- Strengthening local infrastructure and services

- Improved quality of life and empowerment of underprivileged and vulnerable communities
- Skilling and economic development
- Strengthened social licence to operate
- Enhanced community relations and trust
- Positive impact on employee engagement and morale

Legend

Engagement channels | Frequency | Key focus areas and topics of discussion | Value creation

Regulatory Bodies

Regulatory bodies shape L&T's operating environment through standards on finance, governance, sectoral regulations, environmental protection, labour and data privacy. Proactive compliance and engagement support a transparent, level playing field while mitigating legal and reputational risks.

- Participation through industry associations, fora and public consultations
- Collaborative policy development initiatives
- Direct regulatory interactions and submissions
- Regulatory audits, inspections and compliance reviews

- Need-based

- Regulatory compliance and governance standards
- Inputs on new policies and regulations
- Transparency and disclosures
- Climate change and natural resources management

- Alignment with national priorities
- Strengthened governance and responsible conduct
- Stronger brand reputation, credibility and enhanced stakeholder trust

Media

Media plays a critical role in shaping public perception and influencing L&T's reputation. While positive coverage strengthens brand trust, adverse reporting can impact credibility and investor confidence. Proactive engagement with media serves as an important feedback mechanism and supports transparent communication of the Company's strategy, performance and initiatives.

- Interviews and press briefings by leadership
- Media briefing and press releases, available at Press-Releases
- Integrated Annual Reports and public disclosures
- AGM
- Quarterly results communications, investor presentations
- Updates on key developments and emerging issues
- Digital and social media: Linkedin, X/Twitter, Youtube

- Ongoing and issue-based
- Quarterly – results and business performance overview

- Major contract wins and business milestones
- Strategic initiatives, including new technology, partnerships and businesses
- Business updates, actions and achievements
- Financial and operational performance
- Sustainability strategy, actions, progress and practices

- Strengthened brand value and public trust
- Inputs and constructive feedback for strategic improvement
- Enhanced visibility of responsible business practices

Legend

Engagement channels | Frequency | Key focus areas and topics of discussion | Value creation

Outlook and Strategic Priorities

Looking ahead, L&T will continue to enhance its stakeholder engagement framework by leveraging digital technologies, data analytics and structured feedback mechanisms to enable more insight-driven interactions. Key priorities include:



Deeper integration with ESG

Strengthening linkages between stakeholder inputs and material sustainability priorities. Inform and raise awareness on sustainability and ESG practices of the Company and seek inputs for further improvements.



Collaborative value creation

Increasing partnerships with stakeholders to co-create innovative and sustainable solutions.



Community engagement

Further strengthen community engagement efforts; these collaborations will continue to focus on social development projects, education, skilling, healthcare, water and sanitation, ensuring positive impacts on the communities.



Enhanced communication

Leverage broadcast, digital, print, social and streaming media to maintain continuous and transparent communication with stakeholders. Supported by updates through newsletters, dedicated stakeholder portals, advertising, events and forums.



Transparent reporting

Enhance the reporting mechanisms to provide stakeholders with clear and comprehensive information about the Company's performance, governance, partnerships, technology, new business and sustainability initiatives.

By deepening relationships, acting on shared insights and communicating with clarity, L&T seeks to ensure that every great story it builds, for business and society, truly begins with a leap taken together with its stakeholders.


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Understanding Materiality

Materiality assessment is a foundational element of L&T's approach to sustainable value creation. It enables the identification and prioritization of environmental, social and governance (ESG) topics that are most significant to L&T's business performance, long-term strategy and stakeholder expectations. The Company undertakes a comprehensive materiality assessment every three years, supported by annual reviews to ensure continued relevance in a dynamic operating and regulatory environment.

The FY 2025-26 assessment was conducted by an independent third party agency and guided by leading global sustainability and disclosure frameworks, including the European Sustainability Reporting Standards (ESRS) and the Global Reporting Initiative (GRI) Standards 2021. It also aligns with SEBI's BRSR requirements, along with other internationally recognised frameworks such as IFC Performance Standards, SASB, ILO guidelines and key ESG rating methodologies.

Methodology

In FY 2025–26, L&T undertook its first **Double Materiality Assessment** to align with evolving global standards and rising stakeholder expectations. L&T assessed material topics across two dimensions: Impact Materiality and Financial Materiality.

- **Impact Materiality:** Evaluates the Company's actual and potential positive and negative impacts on the environment and society across short-, medium-, and long-term horizons. Actual and potential impacts (positive and negative) were evaluated using the following criteria:
  - **Scale:** Intensity of the impact
  - **Scope:** Extent of impact
  - **Irremediability:** Difficulty of reversing the impact (applicable to negative impacts only)
- **Financial Materiality:** Assesses how ESG factors affect financial performance, including revenues, costs, cash flows, access to capital and profitability. Risks and opportunities were assessed based on:
  - **Financial impact:** Effect in terms of revenue, order inflow and costs
  - **Reputational and compliance impact:** Potential to affect reputation or regulatory compliance

Identified IROs (Impacts, Risks and Opportunities) were assessed across two dimensions: **severity (magnitude)** and **likelihood**.

Each criterion, along with likelihood, was scored on a **scale of 1 to 5** (1 = lowest, 5 = highest). The same scoring scale was applied to both impact and financial materiality.

Process

Scope & Boundary
Review of the organisational context

Identification of relevant stakeholder groups and design for assessment

IRO Identification
Evaluation of actual and potential impacts across E, S and G dimensions

Detailed analysis of sectoral trends, peer benchmarking and global standards

Shortlisting of relevant topics

Stakeholder Engagement
Developed tailored questionnaires for different stakeholder groups

Engagement with relevant stakeholders through mutliple channels

Assessment
Analysis using a structured scoring methodology

Prioritisation to identify critical ESG aspects, risks and opportunities

Material Topics Finalisation
Consolidation into materiality matrix

Matrix finalisation and sign-off by the senior management

Assessment Principles

Business Relevance
Aligned with L&T's business model, operating context and strategic priorities.

Stakeholder Inclusivity
Incorporates inputs from internal and external stakeholders.

Structured Scoring
Uses defined criteria and thresholds to evaluate impacts, risks and opportunities.

Governance Integration
Outputs designed to inform strategy, KPIs, enterprise risk management and disclosures.

Stakeholders and their engagement channels

Senior management	1:1 interactions and detailed questionnaire
Employees including Sustainability teams	Questionnaire
Sustainability teams across the Company	Detailed questionnaire
Customers	Questionnaire
Supply chain partners	
Local Communities, NGOs and Civil Societies	Focussed group discussions
Business and Trade Associations, Academia, investors	Survey

Outcome

An initial longlist of 34 topics was identified for evaluation. Following detailed assessment and prioritization, 15 topics were determined to be most material based on their impact and/or financial significance. The identified material topics span environmental, social and governance dimensions and include topics assessed as double material as well as those driven primarily by financial materiality. These topics represent priority areas of focus for L&T's strategy, risk management and sustainability initiatives.

The materiality matrix and its associated targets and KPIs are published on the website.

Environment

- Climate Change
- Air Quality Management
- Water and Waste Management
- Land Use and Ecosystem

Social

- Labour Practices and Human Rights
- Talent Management and Workforce Engagement
- Diversity, Equity & Inclusion
- Occupational Health and Safety
- Community Relations
- Sustainable Supply Chain

Governance

- Product Quality and Reliability
- Customer Satisfaction
- Data Privacy and Security
- Business Ethics
- Geopolitical Risks

New topics

Material Topics: IRO and Linkages

Climate Change

Energy-intensive construction and manufacturing operations rely on fossil fuels, leading to GHG emissions. Business growth may further increase energy demand and emissions. At the same time, opportunities in renewable energy and clean technologies, along with emission reduction and resilience measures, can lower costs and enhance long-term competitiveness.

Actual, Risk and Opportunity

- Exposure to physical and transition climate risks
- Physical risks (e.g., extreme weather) may disrupt operations, affect assets and impact business continuity.
- Transition risks may influence costs, investments and future business opportunities.

Negative

- Potential financial and reputational impacts due to insufficient measures to control emissions
- May lead to increased costs and potential loss of future business opportunities especially in environmentally sensitive areas.
- Inadequate mitigation and adaptation measures may lead to reputational damage and potential regulatory costs, including carbon pricing.

- Targets set for carbon neutrality by 2040 and water neutrality by 2035, supported by energy efficiency and renewable energy initiatives
- Climate risk management is integrated into the Enterprise Risk Management framework
- Project schedules incorporate buffers to mitigate potential disruptions from extreme weather events.
- Portfolio diversification towards low-carbon opportunities to support climate-resilient growth.

Strategy Linkage

SO-I SO-III SO-V SE-1 SE-2 SE-5

SDG Alignment



Air Quality Management

Operations rely on vehicles and diesel-powered equipment that emit nitrogen oxides, sulphur oxides, particulate matter and construction dust, degrading air quality and posing health risks to workers and nearby communities.

Actual, Risk

Construction activities at EPC sites involve extensive use of machinery and equipment, generating pollutants and dust that pose health risks to workers and surrounding communities.

Negative

- Failure to manage air quality may lead to regulatory penalties, reputational damage and loss of competitiveness in environmentally conscious markets.
- Stricter environmental regulations may lead to increased compliance costs and potential project delays

- Air quality management is integrated into the Environmental Management System at EPC sites.
- Preventive and mitigation measures are implemented.
- Air quality is monitored through on-site stations and third-party assessments.

Strategy Linkage

SO-V SE-1 SE-5

SDG Alignment



Material topic Impact materiality Financial materiality Actions taken

Water and Waste Management

Manufacturing and construction activities generate hazardous waste that poses environmental and safety risks. Improper disposal of non-biodegradable construction waste can lead to land, air and water pollution, including soil contamination from landfilling. Mismanagement of wastewater may pollute nearby water bodies, harming aquatic life and shared water resources.

Actual, Risk

- Improper management of operational waste, particularly hazardous waste, poses environmental and social risks to surrounding communities.
- Construction activities require significant water use, potentially affecting availability for other stakeholders.
- Untreated or inadequately treated wastewater can harm ecosystems and nearby communities.

Negative

- Ineffective management may lead to penalties, reputational damage and potential loss of license to operate.

- Waste management is integrated into EHS management system, with defined protocols and monitoring.
- Compliance with regulations for waste, water and wastewater is ensured.
- Recycling and reuse of non-hazardous waste are promoted to reduce impact and support circularity.
- Water efficiency measures, including wastewater recycling and rainwater harvesting, are implemented across locations.

Strategy Linkage

SO-V SE-1 SE-5

SDG Alignment



Land Use and Ecosystem

Land use changes from construction and infrastructure development can lead to deforestation, habitat loss and ecosystem degradation. These impacts affect biodiversity, soil and water quality and the well-being of surrounding communities. In sensitive coastal and marine areas, activities such as dredging can further disrupt fragile ecosystems, increasing environmental and regulatory risks.

Actual, Risk

- Construction and infrastructure development can lead to land-use change, including deforestation, habitat loss and alteration of natural waterways.
- Environmental disruption may result in legal, social and economic risks, including community opposition and strained stakeholder relationships.

Negative

- Failure to manage habitat alteration may result in regulatory non-compliance, project delays, reputational damage and increased costs due to penalties and environmental restoration requirements.

- All compliances are ensured before start of on-site activities at EPC project sites.
- Environment Management Plan implemented at EPC project sites incorporates all relevant elements from EIA conducted by the customers.
- Responsible sourcing of natural materials monitored closely in resource-depleted regions.
- The Company also helps in mitigation and restoration efforts of the customers.

Strategy Linkage

SO-V

SDG Alignment



Material topic | Impact materiality | Financial materiality | Actions taken

Labour Practices and Human Rights

Nature of operations and dependence on a large contractual workforce presents potential human rights and labour risks. Potential Impact arising from human rights violations in own operations and supply chain due to insufficient measures

Potential, Risk

- Non-compliance with labour laws or human rights standards, including within the supply chain, may result in reputational damage and regulatory action.
- Inadequate local engagement may lead to social unrest, legal disputes and project delays.
- Negative publicity can damage reputation, reduce stakeholder trust, and potentially impact long-term business.
- Improper resettlement can cause social unrest, significant project delays, cost overruns, and reputational damage threatening social license to operate

Negative

- Issues may lead to higher compliance costs, operational disruptions, and stakeholder concerns.
- Human rights violations can result in significant fines and legal costs.
- May cause project delays due to strengthened compliance requirements

- Human rights embedded in the Code of Conduct for employees and suppliers, with mandatory annual sign off.
- Training and awareness programmes conducted on ethical labour practices and compliance.
- Internal Human Rights Due Diligence carried out at sites and facilities to identify risks and gaps.
- Sustainability assessments conducted for critical suppliers to ensure compliance with human rights and labour standards.
- Grievance redressal mechanisms implemented for employees and workers to ensure timely and transparent resolution of concerns.

Strategy Linkage

SO-V SE-1 SE-4

SDG Alignment



Diversity, Equity & Inclusion

A diverse and inclusive workforce enhances innovation, decision-making, and problem-solving by bringing varied perspectives. Promoting equity ensures fair opportunities, strengthens employee engagement and supports talent attraction and retention.

Actual, Opportunity

- A diverse and inclusive workplace fosters a sense of belonging, which boosts morale, productivity and organisational commitment.
- Strengthens investor confidence and builds a positive brand image that attracts top talent

Positive

- A healthy work environment helps support high employee retention, reduced legal and reputational scrutiny.
- Inclusive environment supports personal growth and equal opportunity for career advancement, drives collective success

- Inclusive culture being fostered – hiring without prejudice or discrimination, inculcating right attitudes through awareness and training.
- Supported by Equal Opportunity Policy, Policy on Prevention of Sexual Harassment at Workplace and Code of Conduct.
- As L&T expands into new markets and hires younger, more diverse talent, inclusive culture positioned as essential for long-term growth.

Strategy Linkage

SO-V SE-4

SDG Alignment



Material topic | Impact materiality | Financial materiality | Actions taken

Talent Management and Workforce Engagement

A skilled, motivated, and engaged workforce is essential for safe, efficient and timely execution of complex EPC projects. Engagement initiatives contribute to a more inclusive and collaborative work environment, where employees feel safe and encouraged to share ideas and co-create innovative solutions. This results in a more agile, responsive workforce aligned with continuous improvement goals.

Actual, Opportunity

- Effective engagement improves employee retention and satisfaction.
- Effective talent management reduces attrition, enhances productivity, and strengthens long-term competitiveness.

Positive

- Effective talent management improves productivity and operational efficiency.
- Strong workforce engagement and lower attrition reduce hiring and training costs.
- A robust leadership pipeline enhances execution capability, enabling timely project delivery and improved financial performance.
- Higher employee retention and capability development strengthen revenue growth potential.

- Customized learning and development programmes are delivered in partnership with leading educational institutions, aligned to role-specific and organizational needs.
- Digital platforms used for training, feedback, and engagement to ensure scalable, accessible, and effective capability development.
- Welfare initiatives and Employee Assistance Programmes in place
- Holistic well-being strategy addressing both physical and mental health needs
- Mental health awareness programmes, counselling, coaching and sensitisation workshops

Strategy Linkage

SO-V SE-4

SDG Alignment



Community Relations

Strong community relations build trust, secure social license to operate, and support smooth project execution. Proactive engagement reduces resistance, enhances reputation, and strengthens stakeholder confidence, contributing to sustainable business growth.

Actual, Opportunity

- Strong community engagement builds trust, strengthens relationships, and supports smooth project execution.
- Positive engagement reduces the risk of resistance and enables timely project delivery.
- Community initiatives create shared value and improve socio-economic outcomes for local stakeholders.

Positive

- Enable smoother project execution, reducing delays and associated costs.
- Positive engagement lowers the risk of disputes, improving cost efficiency and project timelines.
- Enhanced reputation and stakeholder trust support project approvals, repeat business and revenue growth.

- Community engagement is integrated into strategy and aligned with business objectives and societal needs.
- CSR Policy provides the guiding framework for community initiatives.
- Community programmes create shared value while enhancing reputation, stakeholder trust, and goodwill among communities, customers, and investors.

Strategy Linkage

SO-V SE-5

SDG Alignment



Material topic | Impact materiality | Financial materiality | Actions taken

Occupational Health and Safety

Increased incidents of occupational health and safety resulting from inadequate health and safety measures

Actual, risk

- Ineffective implementation of health and safety systems can expose the workforce to hazards, leading to safety incidents, reduced productivity, lower morale, and higher turnover.
- Adversely affect operations, business performance, and the Company's reputation.
- Employee mental well-being is also an increasing area of concern alongside physical safety.
- Proactive health and safety management helps attract talent and strengthen the Company's brand image.

Negative

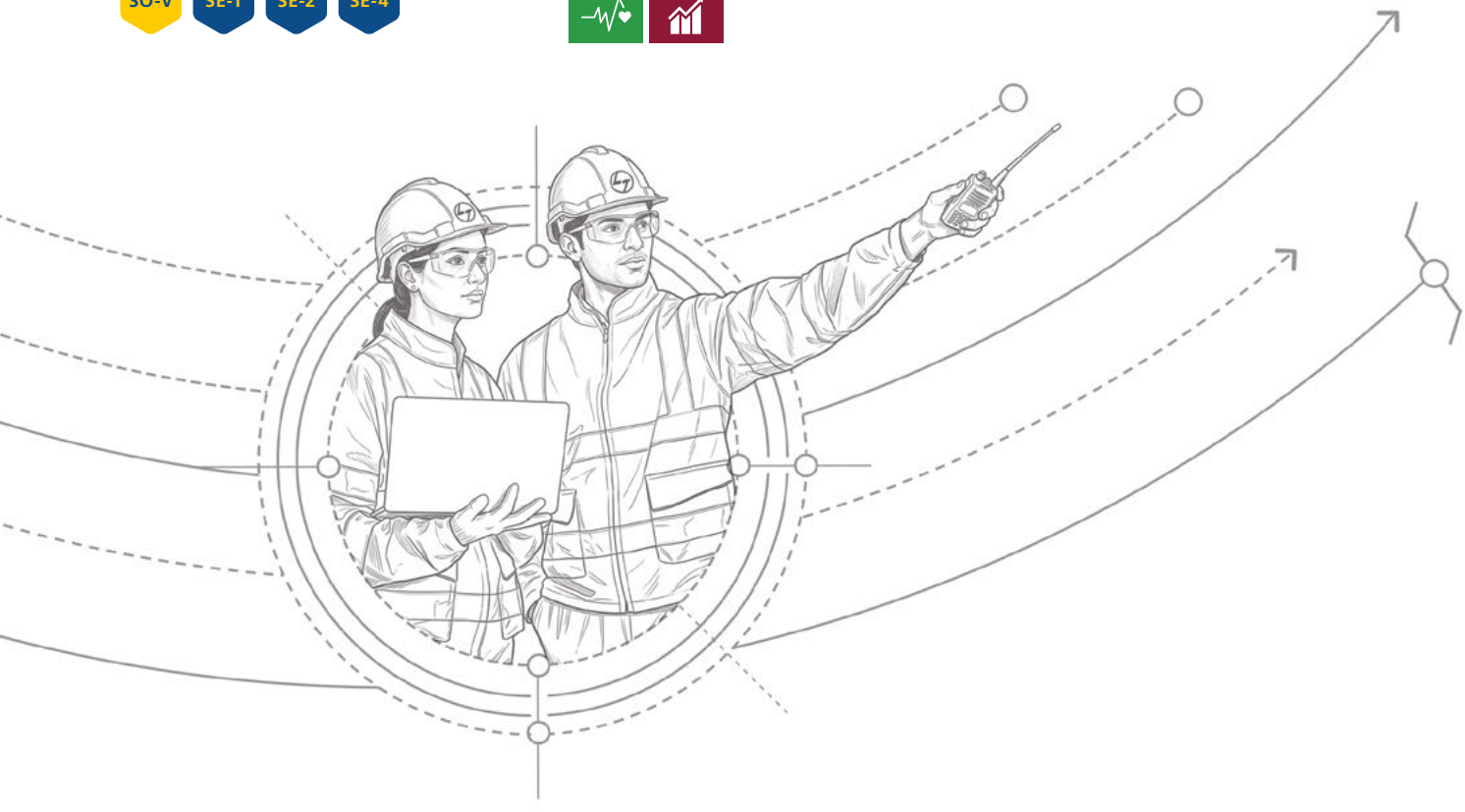
- Inadequate safety measures and protective equipment can result in workplace accidents, leading to liability and compensation costs.
- Unsafe work environments may result in regulatory penalties and reputational damage.
- Safety incidents reduce productivity, and result in loss of skilled man-hours.

- Comprehensive OHS approach covering preventive measures, training, and regulatory compliance; systems certified to ISO 45001:2018 and other global standards.
- Focus on leading indicators and preventive controls over reactive incident management.
- Extensive training and awareness programmes to strengthen safety systems and practices.

Strategy Linkage

SO-V SE-1 SE-2 SE-4

SDG Alignment



Material topic Impact materiality Financial materiality Actions taken

Product Quality and Reliability

Ensuring durability and reliability of L&T's engineered products and systems is critical for long-term success as well as quality of infrastructure delivered

Actual, Opportunity

- High-quality, timely project delivery enhances customer satisfaction and strengthens long-term relationships.
- Strong execution capability creates opportunities for repeat business and new contract wins.
- Consistent quality improves operational reliability and safety, reinforcing trust and brand reputation,
- Robust quality practices reduce errors, minimize risks, and support efficient, cost-effective project delivery.

Positive

- High product quality and reliability enables repeat business and higher order inflows.
- Strong quality performance supports premium pricing and margin improvement.
- Reliable delivery reduces rework, warranty, and life-cycle costs, improving overall profitability.
- Consistent quality strengthens brand reputation and long-term revenue growth.

- Quality assurance systems, continuous improvement practices, and certifications (e.g., ISO 9001) ensure high standards and operational excellence.
- Focus on quality drives innovation in project delivery, supporting cost optimisation, sustainability, and client satisfaction.

Strategy Linkage

SO-I SE-1 SE-2 SE-5

SDG Alignment



Customer Satisfaction

Customers expect quality execution and timely delivery in line with contractual commitments. Consistently meeting and exceeding these expectations enables L&T to build trust, enhance customer loyalty, and create differentiation in the market.

Actual, Opportunity

- Drives customer loyalty, positive brand perception, and long-term business relationships.
- Enables repeat business, strengthens competitive positioning, and allows the Company to command pricing premiums.

Positive

- Strong customer satisfaction drives repeat business, higher order inflows, and long-term revenue growth.
- Enhances pricing power and supports margin improvement through premium positioning.
- Reduces customer churn and acquisition costs, improving overall profitability and financial stability.

- L&T strives to strengthen and maintain its customer-centric approach by focussing on first time-right quality, timely execution and continuous improvement.
- Constant engagement with customers for improvement areas as well as technology and business collaborations.

Strategy Linkage

SO-I SO-III SO-V SE-1 SE-2 SE-5

SDG Alignment



Material topic | Impact materiality | Financial materiality | Actions taken

Sustainable Supply Chain

L&T's large and diverse supplier base makes supply chain sustainability a critical issue - both as a risk and a strategic opportunity. Weak practices in the supply chain can expose the Company to ESG, regulatory, and reputational risks, while strong sustainability integration enhances resilience, compliance, and long-term value creation.

Actual, Risk and Opportunity

- Supply chain disruptions due to climate events, resource scarcity, or geopolitical instability can affect project timelines and costs.
- A sustainable and resilient supply chain improves efficiency, drives innovation, enhances vendor performance, and strengthens customer trust and alignment with sustainability expectations.

Negative

- Non-compliance by suppliers can expose company to reputational damage and operational disruptions.

- Comprehensive policies, processes, and a Supplier Code of Conduct established to promote responsible practices across the value chain.
- Mandatory acceptance of the Code of Conduct during onboarding of all supply chain partners.
- ESG assessments initiated for critical suppliers to evaluate performance and identify improvement areas.
- ESG awareness sessions conducted to align suppliers with evolving expectations and Company priorities.

Strategy Linkage

SO-I SO-V SE-1 SE-5

SDG Alignment



Geopolitical Risks

Geopolitical instability, such as conflicts, regime transitions, or changes in government policy, causes business risks. These events can disrupt the value chain impacting the overall dynamics of the business environment. Trade wars can disrupt global supply chains, leading to tariffs, trade barriers, and economic sanctions.

Actual, Risk

- Geopolitical instability can disrupt project execution through supply chain constraints, trade restrictions and movement limitations.
- Exposure to conflict zones or politically sensitive regions may increase risks to workforce safety and operational continuity.
- Changes in international relations, sanctions or regulatory regimes can impact market access and project opportunities.

Negative

- Geopolitical conflicts may disrupt supply chains, delay project execution, increase costs, and impact business operations.
- Trade wars and economic sanctions can reduce order inflows and affect revenue from global customers.

- Geopolitical risks are integrated into the Enterprise Risk Management framework.
- Continuous monitoring of geopolitical developments with mitigation measures such as contract structuring, hedging, and contingency planning to manage project and financial exposure.
- Business and geographic diversification enhances resilience and enables response to risks as well as capture of emerging opportunities.

Strategy Linkage

SO-I SE-1 SE-2 SE-3 SE-5

SDG Alignment



Material topic | Impact materiality | Financial materiality | Actions taken

Business Ethics

Refers to ethical business practices, legal compliance, transparency, and integrity across all operations and stakeholder interactions. It includes anti-corruption, fair dealing, responsible conduct, and adherence to laws and internal codes. Strong business ethics help maintain stakeholder trust, ensure compliance, and protect reputation, while reducing risks of fraud, corruption, and penalties and supporting long-term sustainable competitiveness.

Potential, Risk

- Lapses in ethical conduct can cause reputational damage, weaken stakeholder trust and lead to regulatory non-compliance.
- Compliance to SOPs can be a challenge due to the nature and wide expanse of the businesses, large workforce and frequent changes to regulatory requirements.

Negative

- Increased regulatory scrutiny, talent acquisition and retention challenges, project delays, financial losses, and erosion of market position.
- Non-compliance with ethical business practices may result in reputational damage and legal liabilities.
- Overall impact may lead to reduced financial performance and weakened market standing.

- Core values of L&T – Integrity, Transparency, Professionalism, Accountability and Fairness, enabled the Company to acquire trust and build a strong brand.
- Clear policies, procedures, code of conduct and management systems are in place to foster ethical behaviour.
- Regular training on business ethics provided to employees.
- Whistleblower Policy establishes a vigil mechanism, allowing employees and supply chain partners to report concerns about unethical behaviour, fraud, or violations of the Company's ethics policies.

Strategy Linkage

SO-I | SO-V | SE-4

SDG Alignment

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Data Privacy and Security

Critical to maintaining stakeholder trust, particularly for sensitive project and client information. Strong cyber risk management, continuous monitoring, and employee awareness are essential to protect digital assets and ensure operational reliability amid increasing digital transformation.

Potential, Risk

- Increasing digitalisation heightens cybersecurity risks, making protection of company and customer data critical.
- Cyber incidents or data breaches may disrupt business continuity and result in reputational damage.

Negative

- Inadequate protection of sensitive data may result in legal liabilities, regulatory penalties and loss of stakeholder trust.
- Cyber incidents can disrupt business continuity and lead to significant financial losses.

- Multi-year cybersecurity and resilience roadmap implemented with investment in advanced security platforms.
- Policies and practices aligned with ISO/IEC 27001:2022 certification.
- Security Operations Centres established for 24x7 monitoring and incident response.
- Vendor and third-party cyber risks managed through due diligence and continuous monitoring.
- Regular training and awareness campaigns conducted for employees.

Strategy Linkage

SO-V | SE-2 | SE-5

SDG Alignment

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Material topic | Impact materiality | Financial materiality | Actions taken

For more details, refer to Natural Capital, Human Capital, Social and Relationship Capital of Integrated Annual Report FY 2025-26.

Sustainability Governance

L&T's sustainability governance framework is designed to support long-term value creation by integrating sustainability considerations into strategy, capital allocation, enterprise risk management and operational decision-making. In line with the International Sustainability Standards Board (ISSB) Standards (IFRS S1 and IFRS S2) and the Task Force on Climate-related Financial Disclosures (TCFD), sustainability and climate-related risks and opportunities are assessed and handled through a structured, multi-tier framework that ensures effective oversight and accountability across the organisation.

Sustainability considerations are embedded within the Company's strategic planning framework, **Lakshya**, and are periodically reviewed to reflect evolving regulatory requirements, global sustainability trends, stakeholder expectations, and emerging risks and opportunities. This governance framework enables L&T to enhance resilience, strengthen competitiveness, optimise resource allocation and protect stakeholder trust while delivering sustainable financial performance.

Sustainability Governance Framework

L&T has established a multi-level governance architecture to oversee sustainability strategy, performance, risks, and disclosures. The framework ensures alignment among strategic intent, operational execution and accountability, consistent with ISSB and TCFD governance principles.

The governance structure comprises:

- Board of Directors oversight through the CSR & Sustainability Committee
- Executive leadership through the Executive Committee
- Dedicated Corporate Sustainability leadership
- Cross-functional councils and committees
- Business, function and project-level implementation teams

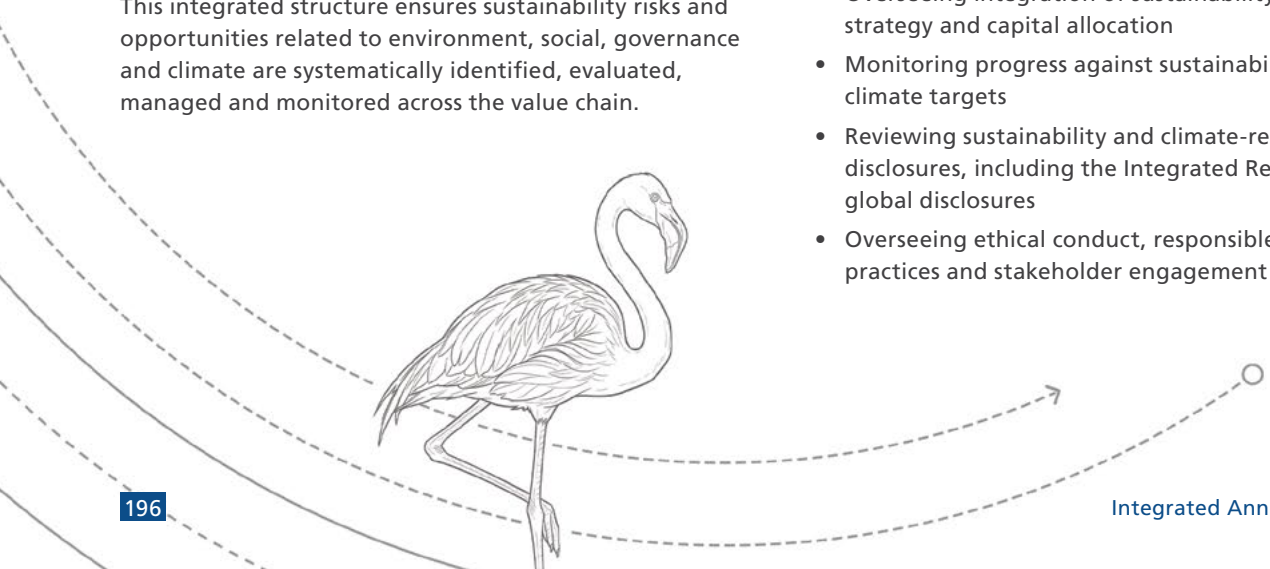
This integrated structure ensures sustainability risks and opportunities related to environment, social, governance and climate are systematically identified, evaluated, managed and monitored across the value chain.

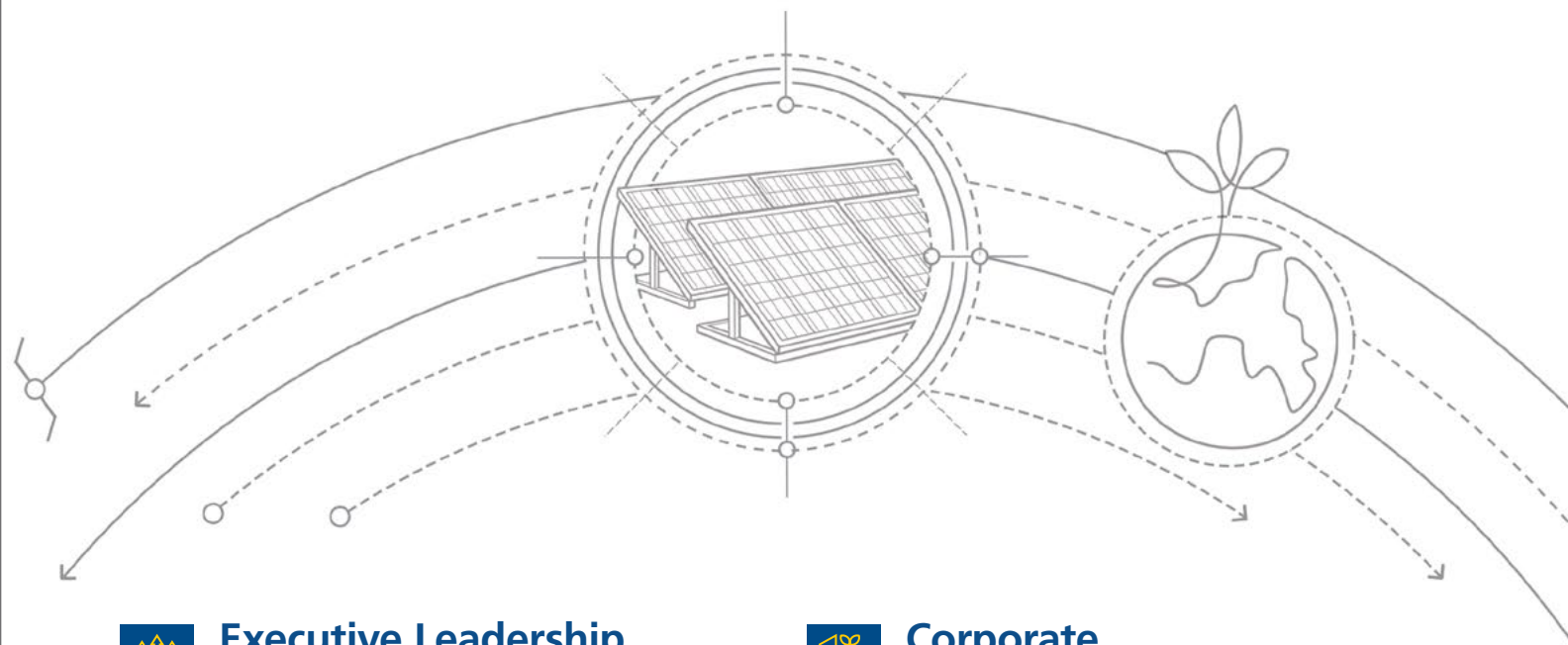
Board Oversight and Strategic Direction

The Board of Directors has overall accountability for sustainability governance, including climate-related risks and opportunities, as part of its fiduciary responsibilities. Oversight is exercised through the CSR & Sustainability Committee of the Board, which provides strategic direction and monitors the execution of sustainability priorities.

The Committee reviews, at least on quarterly basis, sustainability and climate-related matters. This governance approach aligns with the TCFD Governance pillar and IFRS S1/S2 requirements for Board oversight of sustainability-related risks and opportunities. The Committee's responsibilities include:

- Recommending sustainability and climate-related policies to the Board
- Overseeing integration of sustainability into corporate strategy and capital allocation
- Monitoring progress against sustainability and climate targets
- Reviewing sustainability and climate-related disclosures, including the Integrated Report, BRSR and global disclosures
- Overseeing ethical conduct, responsible business practices and stakeholder engagement





Executive Leadership and Accountability

The Executive Committee is responsible for translating sustainability and climate strategy into operational action across L&T's diversified businesses. Sustainability and climate-related considerations are integrated into:

- Strategic and annual business planning
- Project execution and operational decision-making
- Enterprise risk management and internal control systems

Key ESG and climate performance indicators are periodically reviewed by the Executive Committee, ensuring accountability for outcomes and timely corrective actions where required. In line with IFRS S2, senior management is accountable for identifying, assessing and managing:

- Climate-related transition and physical risks
- Climate-related opportunities linked to technology, markets, and services
- Impacts of climate factors on financial performance, cash flows, and long-term resilience

Climate-related risks are integrated into the enterprise risk management framework and are reviewed at senior management and Board level.

Corporate Sustainability

The Company has a central Corporate Sustainability function, headed by the Chief Sustainability Officer, to drive the implementation of sustainability strategy across the organisation. The Corporate Sustainability team drives and collaborates with business units and corporate functions to integrate sustainability principles into operations and decision-making processes. Key responsibilities include:

- Developing sustainability and climate strategies, roadmaps and policies
- Coordinating sustainability and climate initiatives across businesses
- Monitoring sustainability and climate performance and targets
- Supporting integration of sustainability into enterprise risk management
- Managing sustainability and climate-related disclosures
- Engaging with stakeholders, including investors, customers and ESG rating agencies
- Driving awareness, training, and capacity-building across employees and the supply chain

Cross-Functional Governance

To strengthen coordination and implementation of sustainability initiatives, the Company has established several cross-functional councils and committees. The members are representatives from Executive Committee and leaders from different business units and corporate functions, who drive collaboration, implementation of best practices and monitor sustainability performance. These Councils meet at least once in a quarter or on a need basis to review performance, identify improvement opportunities and guide the implementation of sustainability initiatives across the organisation. Key councils and committees include:

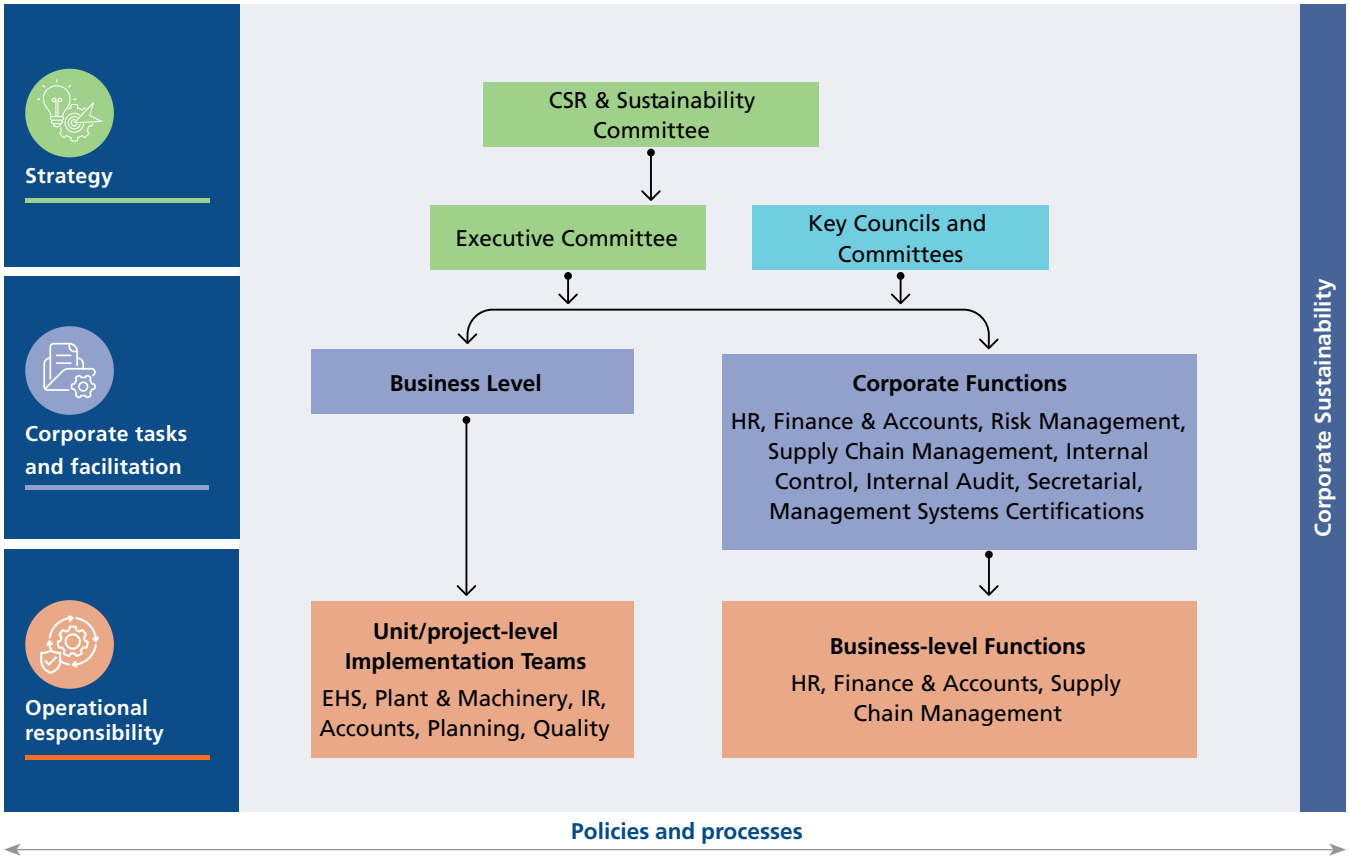
Councils and Committees	Scope	ECom Representative	Headed By	Convened By
Group CSR Council	Comprising members across the Group companies, the Council ensures alignment of CSR initiatives to the overall Group vision and strategy, collaboration for effective execution, and leveraging synergies in community development efforts	Group CFO	Head - Strategy & Special Initiatives	Head-CSR
HRC Council	Focuses on improving and implementing HR policies and procedures for talent retention, recruitment, learning & development, skilling, leadership development, and other related areas	Group CFO	Chief Human Resources Officer	
EHS Council	Drive EHS objectives of the Company by embedding a proactive, organization-wide safety culture, ensuring adoption of global best-in-class EHS practices, and driving continuous improvement	Deputy MD	Group Head-Corporate EHS	
Green Campus / Sustainability Task Force	Focuses on setting targets linked to the environment, driving the implementation of Carbon and Water Neutrality plans, and identifying improvement areas	Deputy MD	Head - Strategy & Special Initiatives	Chief Sustainability Officer
Material Council	Formulate strategies for procurement of key input materials, supply chain risk management, cascading best practices in supplier management and sustainability in the supply chain	Whole-time Director	Senior Vice President	Vice President & Head - Supply Chain Management
Group IT & Cybersecurity Council	Apex level Council focuses on strategic decisions related to IT systems and infrastructure management, cybersecurity management, and implementation of policies and procedures	Whole-time Director	Head - Strategy & Special Initiatives	Chief Information Officer
Quality Council	Apex level Council aims for continuous improvement of quality across the Company by integrating quality leadership in its diverse businesses through collaboration and leveraging cross-learning	Whole-time Director		Head - QA & QC of one of the businesses

Business Level

Comprises representatives from various business verticals, facilitates collaboration and ensures that sustainability goals are met across all work locations i.e. EPC project sites, manufacturing facilities and offices.

Board and Leadership Oversight

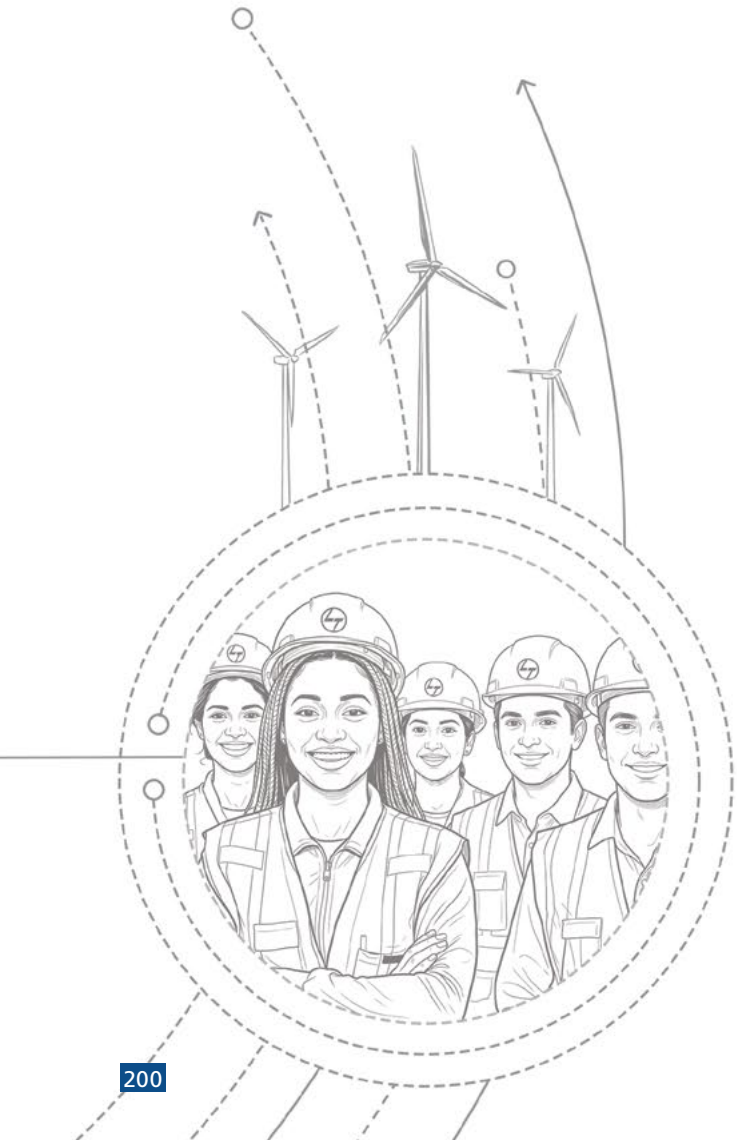
Review level	Review frequency
Board Committee overseeing sustainability	Every quarter by the CSR & Sustainability Committee
Review by Group CMD and CFO	Quarterly
Executive Committee updates	Monthly
Board Committee review of sustainability disclosures	Annually, Integrated Report and BRSR



Integrating Sustainability into Business Operations

Sustainability is integrated into day-to-day operations through dedicated teams across key functions including planning, execution, environment, EHS, procurement, HR, finance, quality, IT and digital. This integrated approach ensures that sustainability and climate considerations are embedded into:

- Project planning and execution
- Resource utilisation and operational efficiency
- Health, safety and environmental management
- Supply chain engagement and responsible sourcing
- Stakeholder engagement and community development



Management Systems and Standards

The Company has implemented management systems certified against globally recognised standards (e.g., ISO 9001, ISO 14001, ISO 45001) to ensure structured, reliable processes that enhance quality, efficiency, and stakeholder trust. Core systems such as Quality, Environment, Occupational Health & Safety, and Integrated Management Systems, are deployed across all business units, while other standards (e.g., Energy Management, Social Accountability, Information Security) are implemented in select businesses or locations. All systems are certified by independent third-party agencies.

Coverage of the business

100%

ISO 9001: Quality Management System (QMS)

100%

ISO 14001: Environment Management System (EMS)

100%

ISO 14001: Environment Management System (EMS)

>50%

ISO 50001: Energy Management System (EnMS)

Modular Fabrication at Kattupalli and Hazira

SA8000: Social Accountability Standard

Responsible and Ethical Business Practices

The Company is committed to maintaining the highest standards of integrity and ethical conduct across its operations. This is supported by a comprehensive set of policies that guide responsible business behaviour. These policies establish clear expectations for employees, contractors and supply chain partners regarding ethical conduct, transparency and compliance.

The leadership and senior management oversee ethical compliance, ensuring that the operations align with good practices. Key elements include:

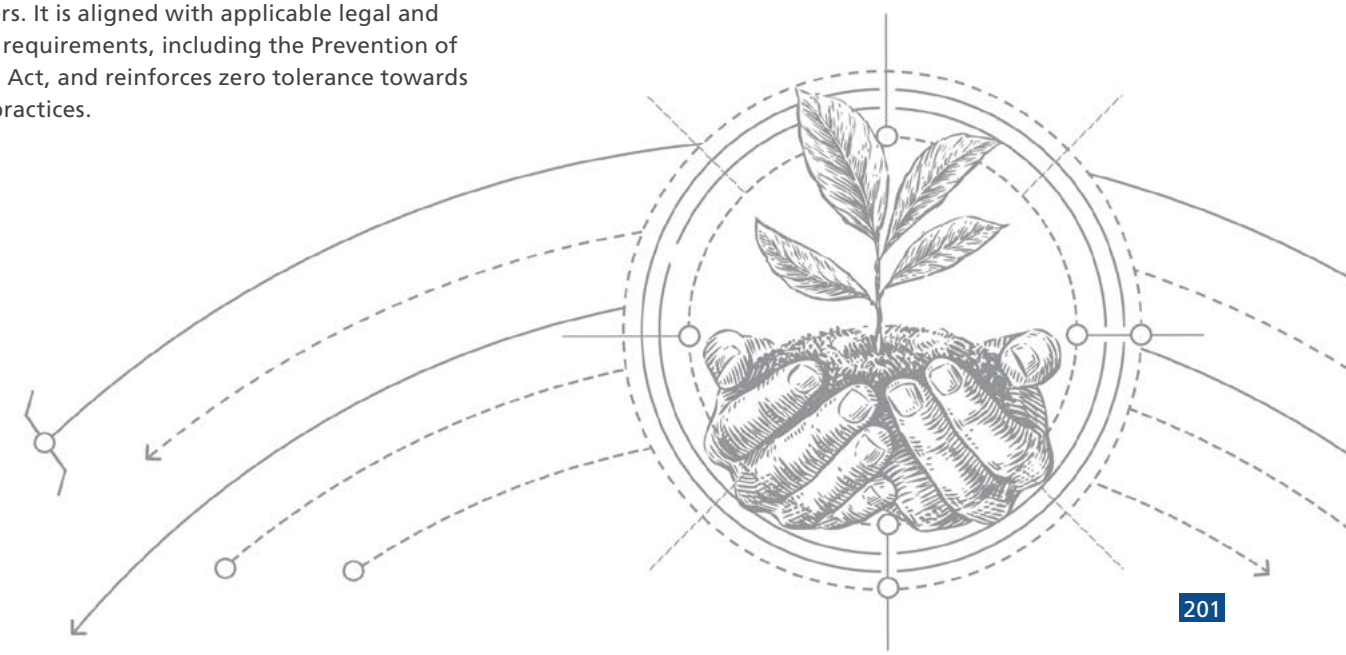
- **Anti-Bribery and Anti-Corruption Policy**
- **Code of Conduct for Board Members and Senior Management**
- **Code of Conduct** applicable to all employees and supply chain partners
- Training and awareness for employees at all levels
- **Whistleblower Policy** to encourage reporting of unethical behaviour without fear of retaliation

Anti-Bribery and Anti-Corruption (ABAC) Framework

L&T's Anti-Bribery and Anti-Corruption Policy form a core pillar of its governance framework, reflecting the Company's long-standing commitment to integrity, transparency and ethical conduct across all operations. The policy and its associated processes provide a comprehensive framework to prevent, detect, and address bribery and corruption risks, and is applicable to all employees, Board members, and associated persons, including third parties across the value chain.

The policy strictly prohibits any form of bribery, including facilitation payments, kickbacks, or unlawful inducements, whether direct or indirect, and extends to interactions with government officials, business partners, and other stakeholders. It is aligned with applicable legal and regulatory requirements, including the Prevention of Corruption Act, and reinforces zero tolerance towards unethical practices.

To operationalise this commitment, the Company has instituted robust internal controls and monitoring mechanisms to prevent, record and report potential violations. Regular training, guidance and awareness programmes are conducted for employees and relevant third parties to strengthen understanding and compliance. The ABAC framework is further supported by complementary policies, including Code of Conduct and Whistleblower Mechanisms, enabling transparent reporting and timely resolution of concerns.



Prevention of Sexual Harassment (POSH)

The Company remains committed to providing a safe, respectful, and inclusive workplace, reinforced by a zero-tolerance approach to sexual harassment. A gender-neutral Prevention of Sexual Harassment (POSH) Policy is implemented across the organisation, ensuring protection and equal recourse for all employees. The guiding principles are as:

Zero Tolerance: Sexual Harassment in any form will not be tolerated.

Confidentiality: All complaints and investigations will be handled discreetly.

Fairness: Both the Complainant and the Respondent will be given a fair chance to present their case.

Non-Retaliation: Protection for individuals who report or participate in an investigation, against any form of retaliation

To strengthen governance and enhance transparency, the Company has deployed a dedicated third-party case management portal which enables:

Secure and confidential reporting of complaints by employees

End-to-end tracking of cases from registration to closure

Role-based access for Internal Complaints Committee (ICC) members

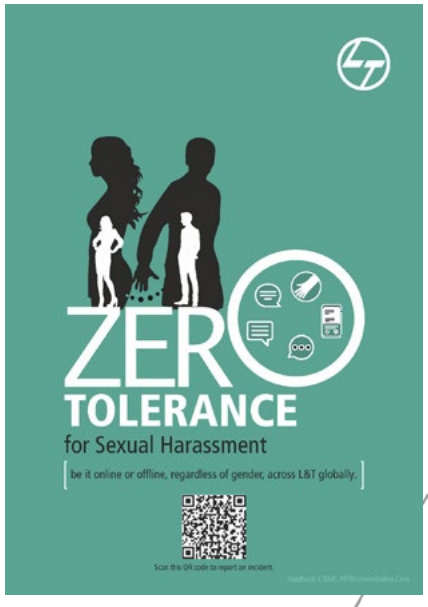
Automated alerts to ensure timely action and adherence to defined timelines

Real-time dashboards and analytics for improved oversight and monitoring

This digital platform enhances the effectiveness of grievance redressal while ensuring compliance with the POSH Act and internal policies.

In addition, the Company continues to invest in awareness and capacity-building initiatives. Updated e-learning modules on Diversity, Equity and Inclusion (DEI) and POSH have been integrated into the Learning Management System (LMS), featuring scenario-based content to improve understanding, sensitisation and responsible workplace behaviour.

Indicator	Status
Applicability	All establishments of L&T and its Affiliates, globally
Scope	• Gender neutral • Covers all employees of L&T, including part-time or full-time • All consultants, contract staff, sub-contractors, clients, visitors, suppliers, customer's employees, vendor's employees and any other individual involved in any work-related activity.
Training coverage through LMS	~15,100 employees
Other awareness sessions conducted	Online and offline, 162 programmes covering ~7,900 participants



Whistleblower Policy and Mechanism

The Whistleblowing Policy enables employees, stakeholders and third parties to report concerns related to fraud, corruption, unethical behaviour or any violation of the Company policies without fear of retaliation. The key features include:

Confidentiality and Anonymity: Whistleblowers' identities are fully protected

Non-Retaliation: The Company ensures that no whistleblower faces discrimination or retaliation for reporting in good faith

Reporting Channels: Concerns can be reported via email, orally, written or post

Investigation Process: All complaints are reviewed by an independent Whistleblowing Investigation Committee, ensuring fair and prompt action

Accountability: If misconduct is substantiated, appropriate corrective measures and disciplinary actions follow

Whistleblowing Policy for Vendors and Channel Partners provide a secure and confidential platform to report any unethical conduct, fraud, corruption or violation of legal and contractual obligations related to the Company's business operations. The key features include:

Confidential and Anonymous Reporting: Vendors can report concerns without fear of identity disclosure

Non-retaliation Assurance: The Company ensures protection against any adverse action for whistleblowers reporting in good faith

Multiple Reporting Channels: Complaints can be raised via a dedicated email or post

Independent Investigation: All reports are assessed objectively by Corporate Audit services

Strict action against violations: Proven cases result in corrective measures, including contractual actions or legal recourse

The Company encourages a culture of openness and ethical responsibility, reinforcing its commitment to corporate governance and compliance. The Company encourages its vendors to uphold ethical standards and report any concerns, fostering a transparent and responsible business environment.



100%
Employees covered under Code of Conduct

~18,400
Employees completing Code of Conduct training

Zero
Cases of Anti-Bribery and Anti-Corruption violations

Cybersecurity and Digital Governance

Cybersecurity is an integral component of the Company's governance and enterprise risk management framework, underpinning the protection of digital infrastructure, safeguarding data and continuity of operations. Robust cybersecurity systems and governance mechanisms have been established to manage evolving cyber risks effectively. Regular assessments, employee awareness programmes and technical training initiatives are conducted to strengthen cyber resilience across the organisation.

Governance and Accountability: Cybersecurity risks are systematically monitored and are integrated into enterprise risk management processes. The cybersecurity roadmap and key risks are periodically reviewed by the Board Risk Management Committee (BRMC) and the Apex Risk Management Committee (ARMC), reflecting strong oversight at the highest level. Cybersecurity is recognised as a critical enterprise risk with potential financial and reputational implications. Regulatory compliance is also ensured according to applicable requirements such as Information Technology Act, CERT-In guidelines and SEBI directives. In addition, structured cybersecurity assurance assessments are conducted across businesses to proactively identify vulnerabilities and enable timely mitigation.

Employee Training & Awareness: Cybersecurity awareness is conducted through regular training programmes, phishing simulations, newsletters and capacity-building initiatives for technical teams

Risk Management and Incident Response A 'Defence in Depth' strategy has been implemented, through Firewalls, Web Application Firewall (WAF), Endpoint Detection and Response (EDR), Data Loss Prevention (DLP) and Privileged Access Management (PAM). Vulnerability assessments are conducted regularly and a 24x7 Security Operations Centre (SOC) uses Security Information and Event Management (SIEM) tools for continuous monitoring, detection and responding to cyber threats. A well-defined Cyber Crisis Management Plan is in place to respond to critical incidents. Incident response follows a structured life-cycle detection, containment, investigation, mitigation, recovery and reporting to ensure timely and effective action.

Key performance indicators such as Mean Time to Detect and Mean Time to Respond are monitored to strengthen incident responsiveness. Third-party and supply chain risks are managed through structured due diligence, contractual safeguards and continuous monitoring using digital risk assessment tools. Contractual clauses ensure that critical service providers maintain cybersecurity resilience.

Data Privacy and Protection The Company has proactively aligned its data governance practices with the Digital Personal Data Protection (DPDP) Act and established a centralised data privacy framework to ensure enterprise-wide compliance. Coverage of security controls across production and internet-facing systems is tracked, with ongoing efforts to enhance measurement of financial impacts arising from cyber incidents. The Company is committed to sustaining continuous compliance and will further strengthen its controls in line with mandatory regulatory requirements.

Standards, Certifications and Assurance: The Company's cybersecurity framework is certified against ISO 27001:2022, ISO 22301:2019, ISO 42001:2023, ISO 27017:2015, ISO 27701:2019 and aligned with NIST-CSF, IEC 62443, CEA guidelines and CERT-In requirements. Independent audits and certifications reinforce the robustness, consistency and effectiveness of the control environment.

Information Security and Data Governance

Investments and Future Risk Mitigation: Cybersecurity investments are aligned with a strategic roadmap, addressing both current threat landscapes and evolving regulatory expectations. These efforts reflect the Company's commitment to safeguard its digital assets while ensuring business continuity in an increasingly complex cyber risk environment.

The Company is strengthening its cybersecurity posture through a focused set of strategic and technology-driven initiatives. An AI-enabled next-generation Security Operations Centre (SOC 2.0) is being deployed to enhance threat detection and response capabilities. Key security controls, including Cloud Security Posture Management (CSPM), are being implemented to safeguard critical data and cloud environments. A centralised Governance, Risk and Compliance (GRC) platform is being rolled out to enable enterprise-wide continuous compliance monitoring. In parallel, a Group-wide Digital Personal Data Protection (DPDPA) framework, supported by privacy tools, is being implemented to strengthen data privacy practices.

The Company recognises information assets as critical to business continuity, stakeholder trust and long-term value creation. Accordingly, a robust information security governance framework has been established, supported by defined policies, structured programmes and globally recognised standards.

The Company's Information Security Policy emphasises the protection of information assets by ensuring their confidentiality, integrity, and availability. This is achieved through the deployment of appropriate people, process, and technology controls, aligned with the Cyber Security Assurance Framework (CSAF). The policy applies to information assets of both the Company and its customers, reinforcing a comprehensive and risk-based approach to data protection.



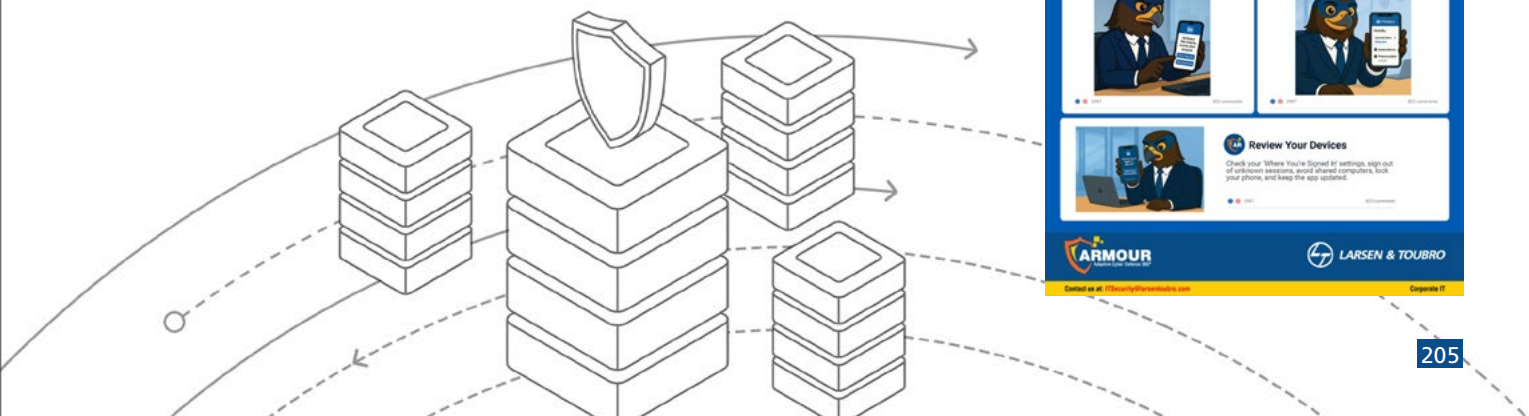
Information security management is further strengthened through enterprise-wide programmes that focus on risk assessment, continuous monitoring, incident management and awareness initiatives. These programmes are periodically reviewed and updated to address evolving cyber threats and regulatory requirements.

The Company's businesses are certified under ISO/IEC 27001:2022, demonstrating alignment with globally accepted best practices for Information Security Management Systems (ISMS).

40%
Employees completing Cybersecurity training

Zero
Data breach and Cybersecurity incidents





Sustainability Data Governance and Reporting

L&T has established robust systems and internal controls to ensure the accuracy, completeness, and reliability of sustainability and climate-related data. Sustainability data governance is supported by a dedicated technology platform **L&T-EARTH** *(ESG Analysis and Reporting Tool for Holistic Initiatives)*, which integrates automated data capture, validation and reporting processes.

The Company follows recognised national and international frameworks to ensure transparency in sustainability reporting. The Company publishes sustainability disclosures through:

- Integrated Annual Report aligned with the Integrated Reporting Framework
- Business Responsibility and Sustainability Reporting (BRSR) in accordance with SEBI requirements
- Global sustainability disclosures such as CDP
- ESG Ratings such as MSCI, CRISIL

Reasonable Assurance of Sustainability KPIs

As part of the commitment to robust ESG governance and regulatory compliance, L&T has been undertaking reasonable assurance on select BRSR Core Key Performance Indicators since FY 2023-24. The assurance in FY 2025-26 has been undertaken by BDO India Services Pvt Ltd, an independent third-party assurance partner, in accordance with *International Standards on Assurance Engagements (ISAE) 3000*. Underneath this standard are several other ISAE standards which, or can be, applied to areas such as performance, internal controls and behaviours. These include at the international level: *ISAE 3402 Assurance Reports on Controls at a Service Organisation* and *ISAE 3410 Assurance Engagements on Greenhouse Gas Statement*.

BRSR Core KPIs that have been reasonably assured include GHG footprint, water footprint, energy footprint, waste management, spend towards well-being measures, safety statistics of employees and workers, gross wages paid to females as percentage of wages paid, complaints on POSH, purchase from MSMEs and from within India, job creation in smaller towns, events related to data breach and cybersecurity and financial KPIs. This assurance process strengthens the integrity of disclosures and enhances stakeholder confidence in the credibility, accuracy, and transparency of the Company's sustainability reporting.

Building a Sustainability Culture

The Company promotes sustainability awareness and capability building across the organisation. Training programmes, workshops and awareness initiatives are conducted to strengthen employee understanding of sustainability issues and to responsible practices. These initiatives extend to employees, contract workers and leadership teams through online learning modules, on-site awareness sessions and targeted engagement programmes.

Strengthening Governance for the Future

L&T remains committed to continuously strengthening its sustainability and climate governance framework in response to evolving regulatory expectations, investor requirements, and global sustainability challenges. The Company will continue to enhance Board and management oversight, integrate sustainability into enterprise risk management and capital allocation, and align disclosures progressively with ISSB and TCFD standards. Through robust governance, strong leadership accountability and integrated management systems, L&T seeks to deliver sustainable long-term value for all stakeholders.


CII
Confederation of Indian Industry
CII-ITC Centre of Excellence for Sustainable Development
CII-ITC
SUSTAINABILITY
AWARD








Perpetual Capital
HURUN INDIA
CERTIFICATE OF RECOGNITION
PERPETUAL CAPITAL HURUN INDIA
IMPACT 50 2026
L&T
India's Most Sustainable Companies Based on Their Alignment with UNSDGs, based on Hurun Research



Sustainability Highlights

Environment

Energy

66.5 GJ/₹ Cr (-4.5%*)
Energy consumption intensity

19 % (+42%*)
Electricity from renewable sources

Emissions

5.9 tCO_2e/₹ Cr (-4.8%*)
GHG emission intensity

1 Mn
Saplings planted

Water

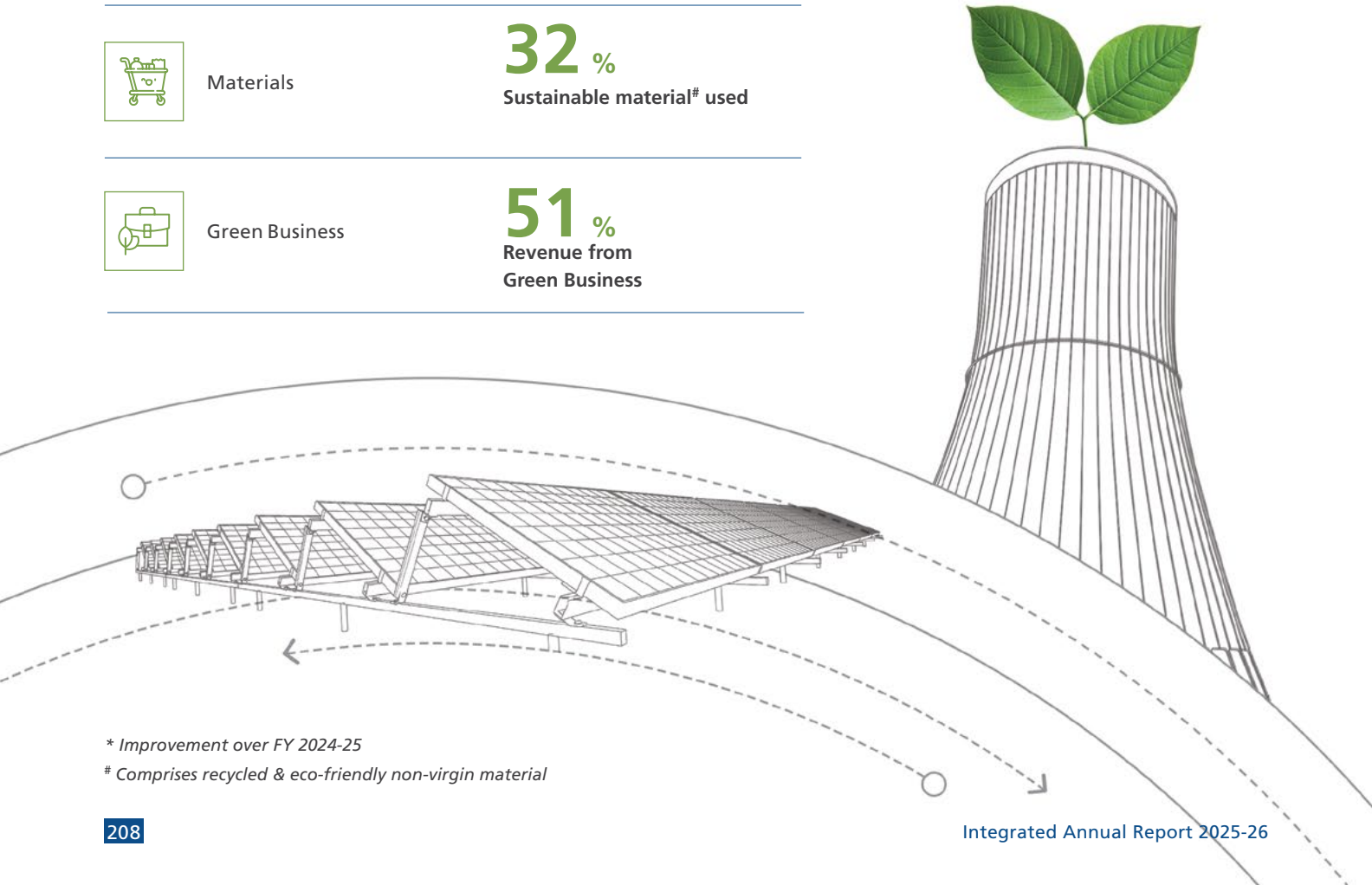
82.8 kl/₹ Cr
Water consumption intensity

Materials

32 %
Sustainable material# used

Green Business

51 %
Revenue from Green Business



** Improvement over FY 2024-25*

Comprises recycled & eco-friendly non-virgin material

Social

Health and Safety

VISION KNOW HARM BACK TO BASICS
EMPOWER | ENABLE | ETHICAL - BUILT INTO EVERY TASK

7.4 Mn
Safety training hours

Human Rights

2
Key facilities SA8000 certified

>11,000
Employees completed online training module

Skilling

>3,59,000
Workers covered

Diversity Equity and Inclusion

9.6%
Gender diversity

130
Women in senior management

84
Differently abled persons

Social Impact

1.9 Mn
CSR beneficiaries

10,461
Employee Volunteering

Governance

Governance & Ethics

100%
New joinees trained on CoC

Customer Centricity

9.1
Customer Satisfaction Score (out of 10)

Data Privacy & Cybersecurity

Zero
Cases of data breaches

Sustainable Supply Chain

20%
Sustainable sourcing by value of purchase

ESG Ratings 2025

MSCI ESG RATINGS
A
CCC | B | BB | BBB | A | AA | AAA

ENR Engineering News-Record
Ranked 2nd in 'Top 200 Environmental Firms'

CDP
Rated 'B' for Climate Change

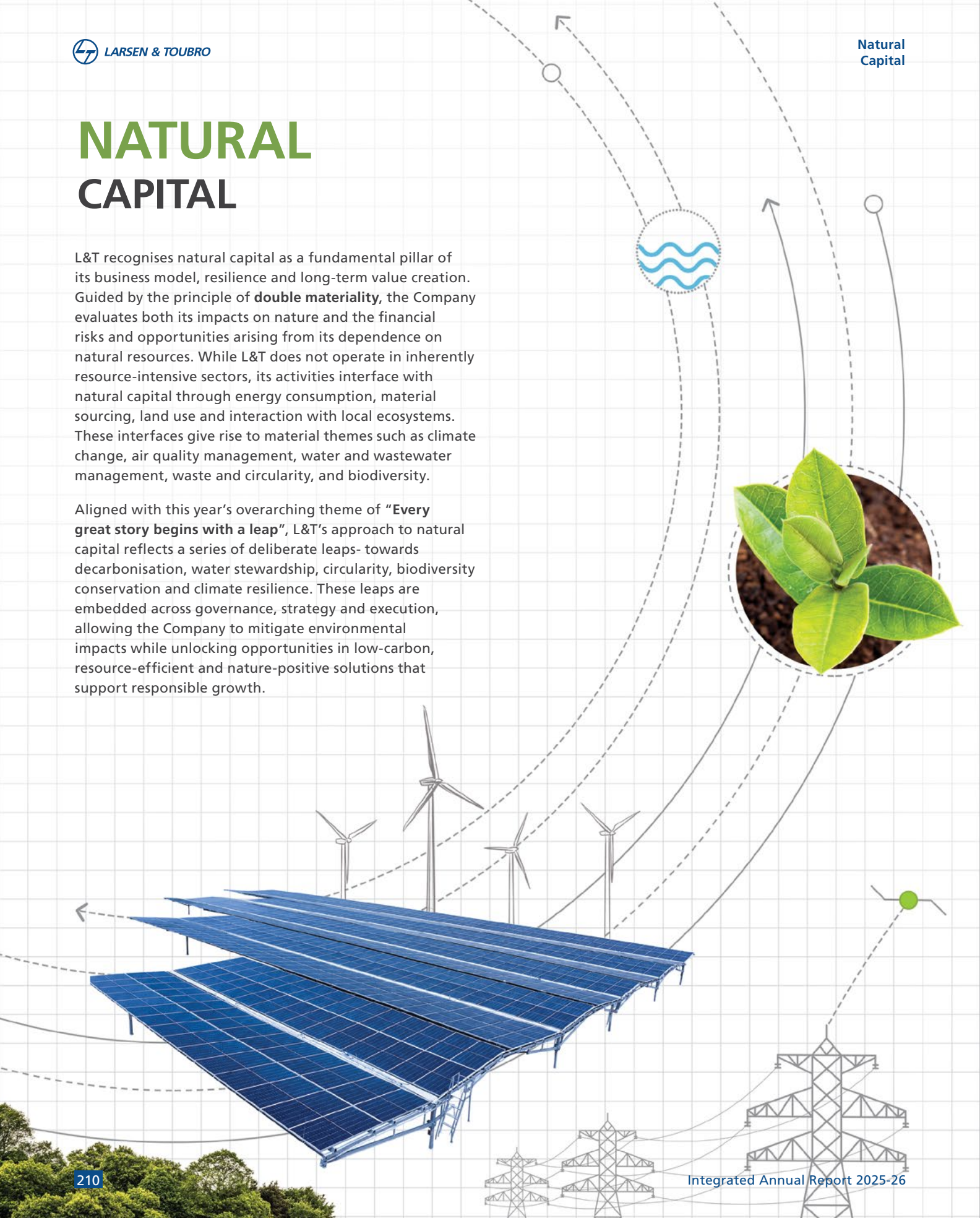
Crisil ESG Ratings & Analytics
Rated 'Strong'

Achilles 2025

NATURAL CAPITAL

L&T recognises natural capital as a fundamental pillar of its business model, resilience and long-term value creation. Guided by the principle of **double materiality**, the Company evaluates both its impacts on nature and the financial risks and opportunities arising from its dependence on natural resources. While L&T does not operate in inherently resource-intensive sectors, its activities interface with natural capital through energy consumption, material sourcing, land use and interaction with local ecosystems. These interfaces give rise to material themes such as climate change, air quality management, water and wastewater management, waste and circularity, and biodiversity.

Aligned with this year's overarching theme of "**Every great story begins with a leap**", L&T's approach to natural capital reflects a series of deliberate leaps- towards decarbonisation, water stewardship, circularity, biodiversity conservation and climate resilience. These leaps are embedded across governance, strategy and execution, allowing the Company to mitigate environmental impacts while unlocking opportunities in low-carbon, resource-efficient and nature-positive solutions that support responsible growth.



Key Highlights of FY 2025-26

42%
Y-o-Y Increase in Renewable Electricity Consumption

4.5%
Energy Consumption Intensity Reduction

2.7 Mn kl
Wastewater Recycled

32%
Sustainable Material Used



Strategy Linkage[1]

SO-I | SO-III | SO-V

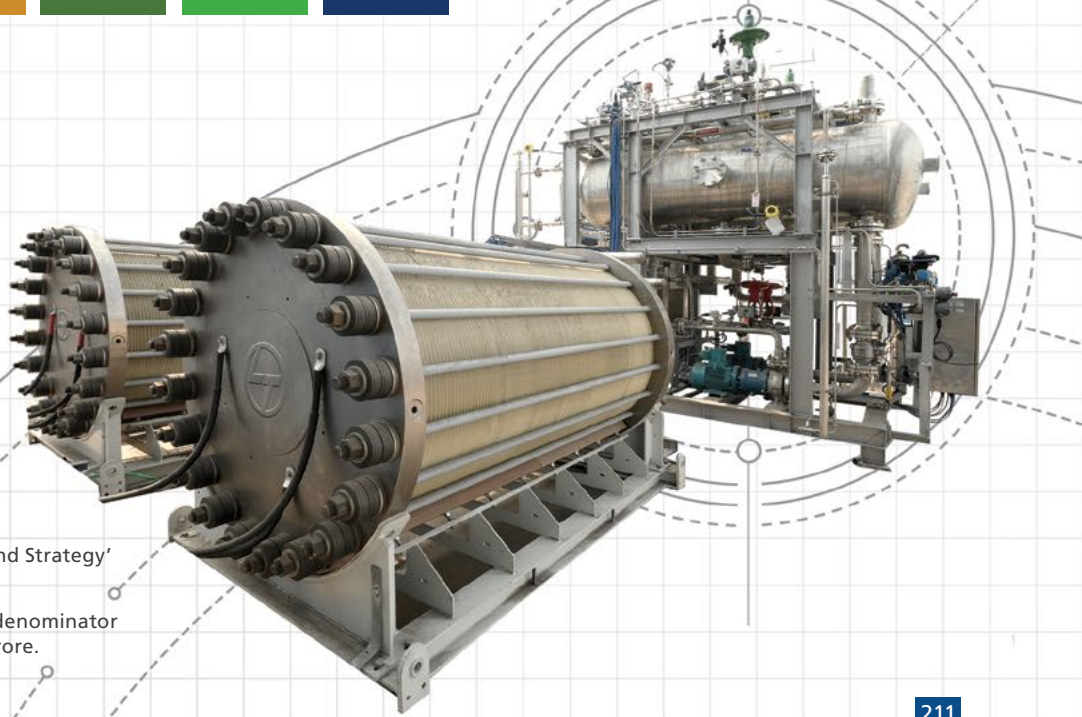
SE-1 | SE-2 | SE-3

SDGs Impacted



Material Topics

- Climate Change
- Water and Waste Management
- Land Use and Ecosystem
- Air Quality Management
- Sustainable Supply Chain
- Business Ethics



[1] For details, refer to 'Business Model and Strategy' section of this Report.

Note: For KPIs related to intensity, the denominator considered is standalone revenue in ₹ crore.

Carbon Neutrality Strategy

In 2022, L&T took a decisive leap by committing to achieve Carbon Neutrality by 2040, covering Scope 1 and Scope 2 emissions, with FY 2020–21 as the baseline for absolute emissions and intensity. This commitment reflects the company's recognition that climate leadership is not incremental, it requires conviction, scale and long-term resolve. The decarbonisation roadmap is structured across short-term (1–2 years), medium-term (2–5 years) and long-term (5–15 years) horizons, aligned with the Company's strategic planning cycle, including its five-year business plan, **Lakshya**.

Long term business as usual (BAU) projections are developed using baseline emissions intensity, enabling systematic tracking of progress, prioritisation of interventions and a phased transition towards low carbon operations.

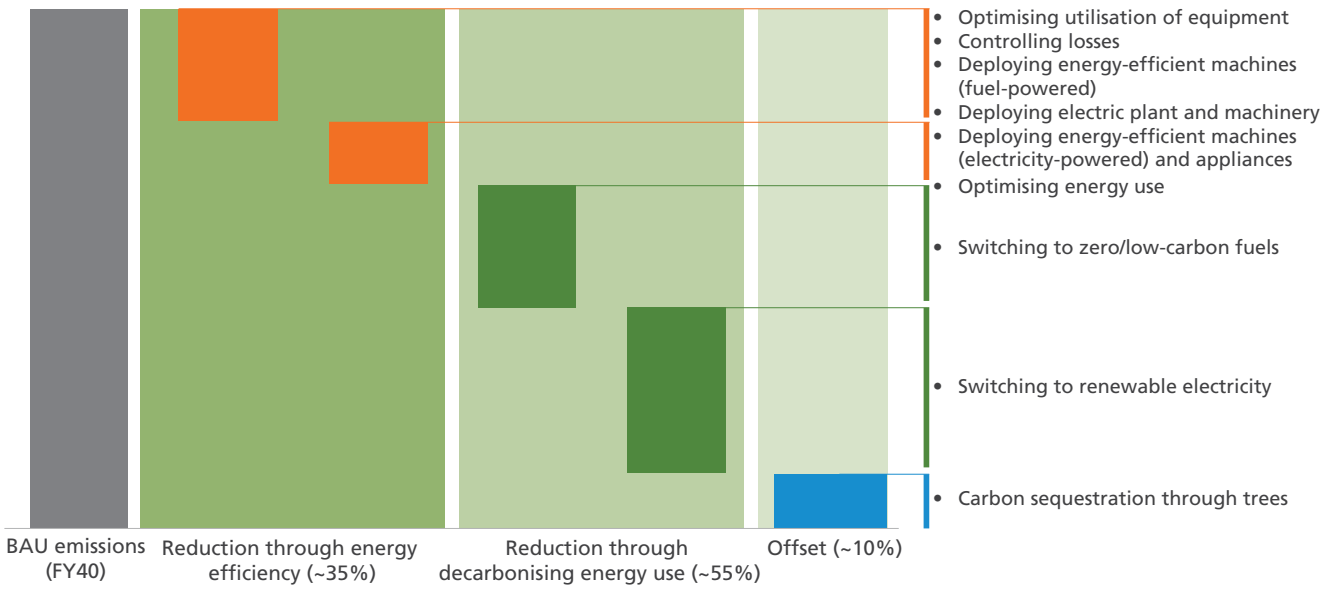
The strategy is anchored on two primary levers:

Reduction in energy consumption intensity

Decarbonising energy consumption

In the short and medium term, the focus is on moderating emissions growth by improving equipment productivity, optimising processes, deploying energy conservation measures and electrifying operations. Over the longer term, L&T is driving deeper decarbonisation through accelerated adoption of renewable electricity and integration of low and zero-carbon fuels. This phased, technology-enabled approach balances emissions reduction with business growth, reflecting anticipated shifts in the global energy ecosystem.

Carbon Neutrality Path



Reduction in Energy Intensity

A significant share of revenue is generated from Engineering and Construction businesses, where dependence on construction machinery and diesel generator sets results in inherently high direct energy intensity. Diesel remains the dominant contributor to Scope 1 emissions, followed by electricity consumption across equipment and facilities. Together, these accounted for over **93%** of total energy consumption and more than **95%** of Scope 1 and 2 emissions in FY 2025–26, making diesel reduction a strategic priority.

To address this, L&T has institutionalised a structured, technology led approach, including a dedicated diesel reduction task force and a Corporate Energy Management Cell.

Key solutions being pursued include:



Transition from Diesel Generator (DG) sets to grid electricity supply



Electrification of equipment through replacement of diesel-powered assets



Phased replacement of ageing equipment with energy-efficient alternatives



Adoption of hybrid or electric equipment, e.g. light masts, wheel loaders



Strengthening monitoring and control of energy and fuel consumption through digital systems

Parallel efforts to reduce electricity intensity include adoption of Variable Frequency Drives (VFDs), Variable Voltage Variable Frequency (VVVF) systems, IE4/IE5 motors and brushless DC motors, along with upgrades to high efficiency HVAC and lighting systems across offices and facilities. Additionally, energy efficiency improvements are being undertaken across offices and facilities through upgrades in air-conditioning and lighting systems, including the transition from 3-star to 5-star rated equipment.

Tracking of energy consumption and reduction initiatives is being enabled through digital systems and implementation of Energy Management Systems (EnMS). Energy audits across the Company, internal as well as through third-party agencies, additionally help identify the areas for further improvement.

Decarbonising Energy Consumption

In addition to improving energy efficiency, the Company is focused on decarbonising its energy consumption by increasing the share of renewable energy in its overall energy mix. Multiple sourcing pathways are being pursued, including Power Purchase Agreements (PPAs) for solar, wind and hybrid power, on-site solar installations, procurement through the open access route, and adoption of green tariffs. Priority is accorded to on-site solar deployment, wherever feasible; however, in cases of space or technical constraints, alternative sourcing mechanisms are leveraged.

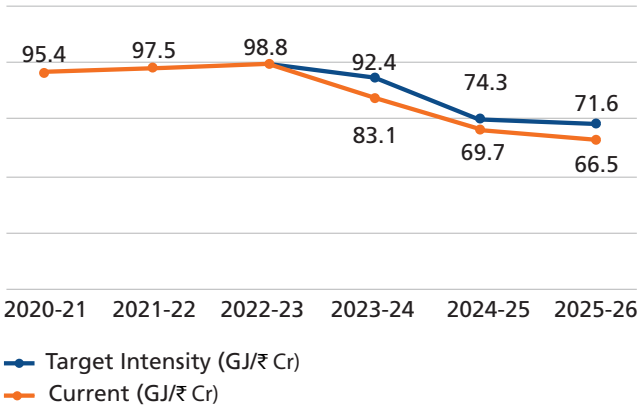
In 2025, following detailed evaluation, the Company decided to proceed with Group Captive renewable energy, which is expected to enhance renewable electricity sourcing for key manufacturing facilities and major offices in Gujarat and Tamil Nadu. A cross-functional team is currently driving its operationalisation.

In parallel, the Company is advancing the use of low-carbon fuels to reduce emissions from both stationary and mobile combustion sources. Initiatives include blending biodiesel with diesel, deployment of compressed biogas (CBG) in place of conventional fuels such as LPG and LDO in select manufacturing facilities, use of biomass pellets in equipment and adoption of compressed natural gas (CNG) for vehicles. While challenges such as supplier availability and OEM-related constraints persist, defined targets have been established across business units to scale up biofuel adoption.

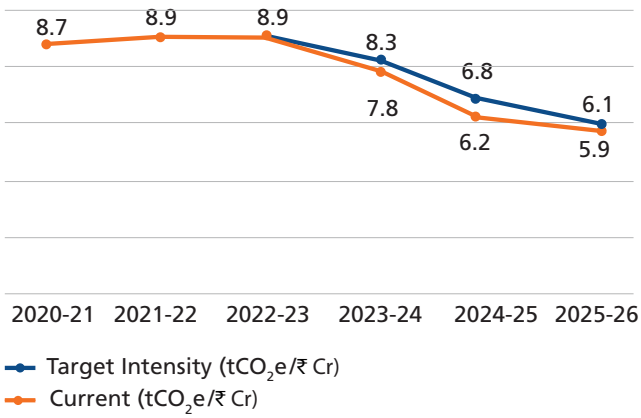
Collectively, these initiatives support the Company's transition plan by reducing emissions intensity, diversifying energy sources and enhancing operational resilience.

Progress on Carbon Neutrality Path

Energy Intensity Reduction Path



Emission Intensity Reduction Path

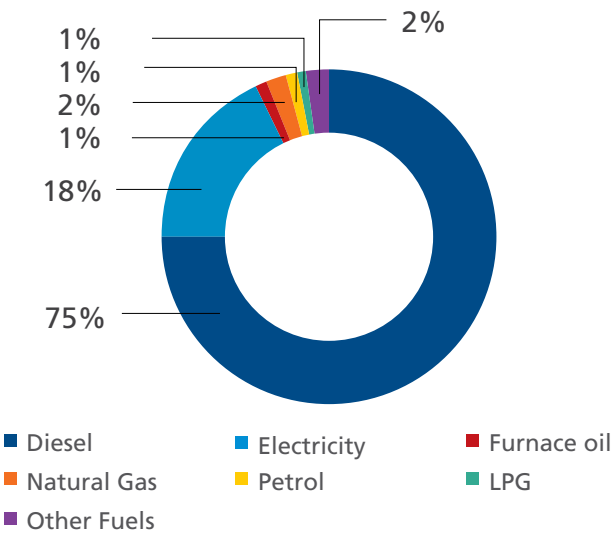


Energy

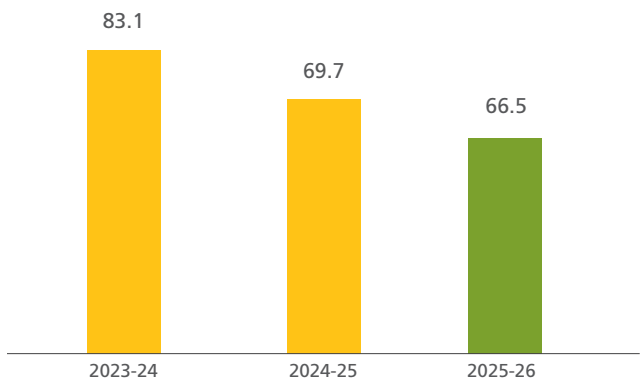
In FY 2025–26, the Company's total energy consumption stood at **10.2 million GJ**, comprising **~8.4 million GJ of direct energy** (fuel consumption) and **~1.8 million GJ of indirect energy** (electricity consumption). *The detailed breakdown of energy consumption by renewable and non-renewable sources is disclosed under Principle 6 of the BRSR section of the Integrated Annual Report.*

Diesel remains the dominant energy source, contributing approximately **75%** of the total energy consumption. The contribution of other energy sources is presented in the chart below.

Fuel-wise Energy Breakup



Energy Intensity Trend *(GJ/ ₹ Cr)*



Renewable Energy

As a result of initiatives implemented across all locations, the share of renewable electricity consumption increased to **19% (98 million kWh)** of total electricity consumption (**509 million kWh**) in FY 2025–26, compared to 15% in FY 2024–25. In absolute terms, renewable electricity consumption rose from **0.25 million GJ in FY 2024–25 to 0.35 million GJ in FY 2025–26**, representing an increase of 42%. In the case of fuel consumption, the share of renewable energy stands at **1% in FY 2025–26**, compared to **0.8% in FY 2024–25**. Given the relatively high proportion of fuel-based energy consumption in the Company's overall energy mix, the share of renewable energy in total energy consumption stands at **4.3% in FY 2025–26**. The Company continues to evaluate and scale multiple pathways to address challenges associated with the sourcing of renewable electricity and renewable fuels, as part of its broader decarbonisation and energy transition strategy.

Renewable Energy (electricity): Split by type of contract or source

7.2 Mn Kwh
Solar (On-site)

17.6 Mn Kwh
Solar (PPA)

33.8 Mn Kwh
Wind (PPA)

25.6 Mn Kwh
Hybrid (PPA)

13.8 Mn Kwh
Green Tariff

Renewable Energy (fuel): Split by type of fuel

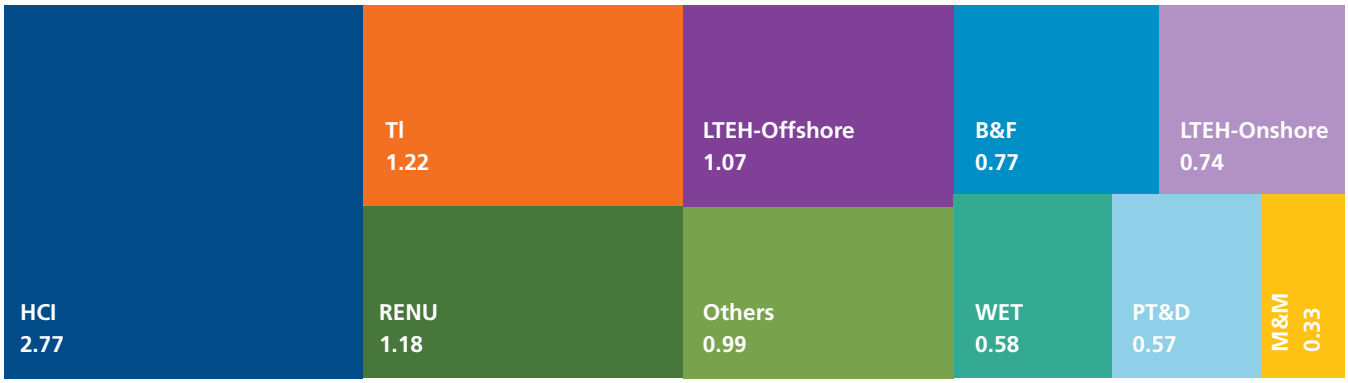
64,740 GJ
Biodiesel

6,018 GJ
Compressed Biogas (CBG)

12,236 GJ
Biomass

The Company's energy intensity declined by 4.5% compared to FY 2024-25, primarily driven by a reduction in direct energy intensity of 6%. This improvement was largely supported by initiatives aimed at reducing diesel consumption across project sites, as well as the completion or transition to closing stages of certain large contracts e.g., contracts related to the high-speed rail, dedicated freight corridor, buildings, and water treatment plants. This reduction was partially offset by higher energy consumption associated with the execution of offshore projects contracts by the Company's Offshore business and increased activity in EPC projects in the Middle East, reflecting the evolving project mix and execution profile.

Top 10 business-wise split of Energy Consumption (Mn GJ)



HCI: Heavy Civil Infrastructure, **TI:** Transportation Infrastructure, **RENU:** Renewables, **LTEH-Offshore:** L&T Energy Hydrocarbon-Offshore, **B&F:** Buildings & Factories, **WET:** Water & Effluent Treatment, **LTEH-Onshore:** L&T Energy Hydrocarbon-Onshore, **PT&D:** Power Transmission & Distribution, **M&M:** Minerals & Metals, **Others:** Heavy Engineering, Offices, L&T Energy-CarbonLite Solutions, Precision Engineering and Systems, and other businesses (please refer to 'Notes on Sustainability Information' section for business-wise breakup of all businesses)

GHG Emissions

Emissions (Scope 1+2) intensity has decreased by 4.8% in FY 2025-26 compared to FY 2024-25. The decrease is primarily due to reduction in energy intensity.

Scope 1 Emissions

Direct greenhouse gas emissions arising from the combustion of fuels such as high-speed diesel (HSD), furnace oil, natural gas, liquefied petroleum gas (LPG), acetylene, and other fuels used in mobile equipment (construction machinery) and stationary sources (diesel generator sets, hot mix plants, furnaces, and other equipment at manufacturing facilities). In addition, Scope 1 emissions include fugitive emissions from the use of carbon dioxide (CO_2) in welding applications and fire extinguishers, as well as emissions from refrigerants used in air-conditioning and cooling systems across offices, manufacturing facilities, and project sites.

6,17,113 tCO_2e
Incl. fugitive emissions

10,941 tCO_2e

Scope 2 Emissions

Scope 2 emissions for the Company represent indirect greenhouse gas emissions arising from the consumption of purchased electricity, as well as electricity generated from captive renewable sources such as on-site solar installations. These emissions are associated with the Company's operations across EPC project sites, manufacturing facilities and office locations. Scope 2 emissions are accounted for across all work locations where electricity is consumed for construction activities, production processes and facility operations.

2,89,920 tCO_2e
Market- based

3,59,421 tCO_2e
Location- based

Scope 3 Emissions

Scope 3 Emissions for the Company are emissions related to the value chain of the Company. Data has been disclosed on nine categories, out of 15 as per the GHG Protocol, which are relevant and material for the Company.

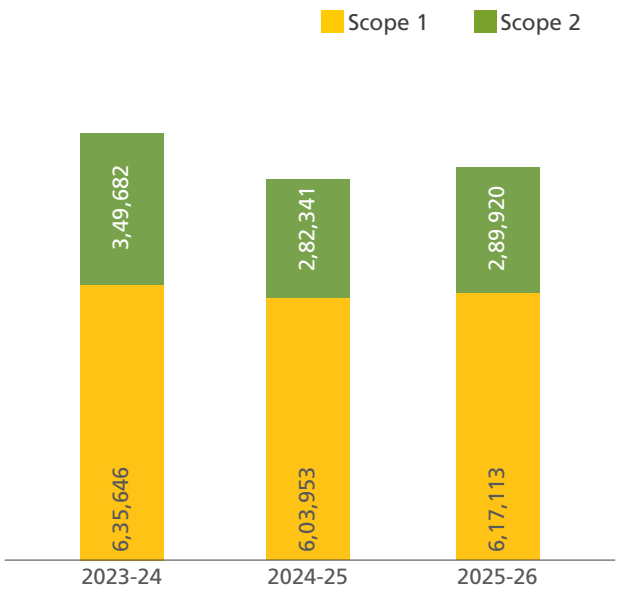
65,48,226 tCO_2e

Scope 3 Emissions split by category

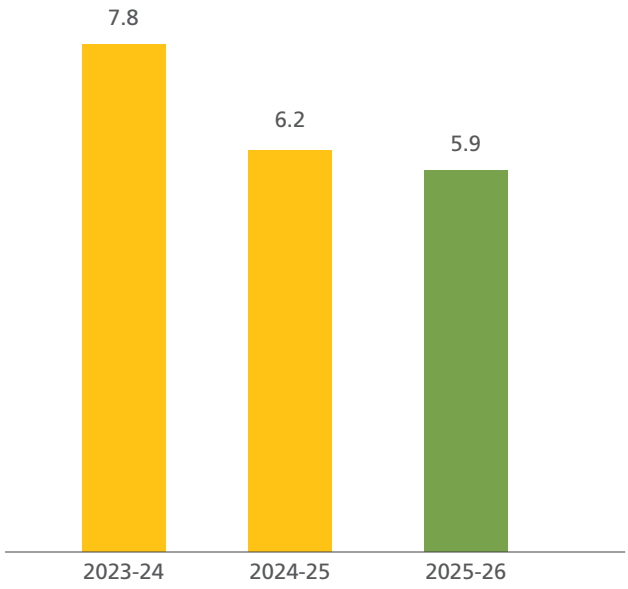
Type	Category	FY 2025-26	FY 2024-25
Upstream	Purchased goods and services	63,80,211	72,71,731
	Capital goods	1,114	
	Fuel- and energy-related activities	355	
	Upstream transportation and distribution	77,487	1,26,338
	Waste generated in operations	14,182	
	Business travel	13,717	14,048
	Employee commuting	50,014	43,925
Downstream	Downstream transportation and distribution	11,135	
	Downstream leased assets	11	2,201
Total		**65,48,226**	**74,58,242**

Scope 3 disclosure has been improved in FY 2025-26 and more categories have been disclosed compared to FY 2024-25.
For details on methodology and calculations of emissions, please refer to "Notes on Sustainability Information" section.

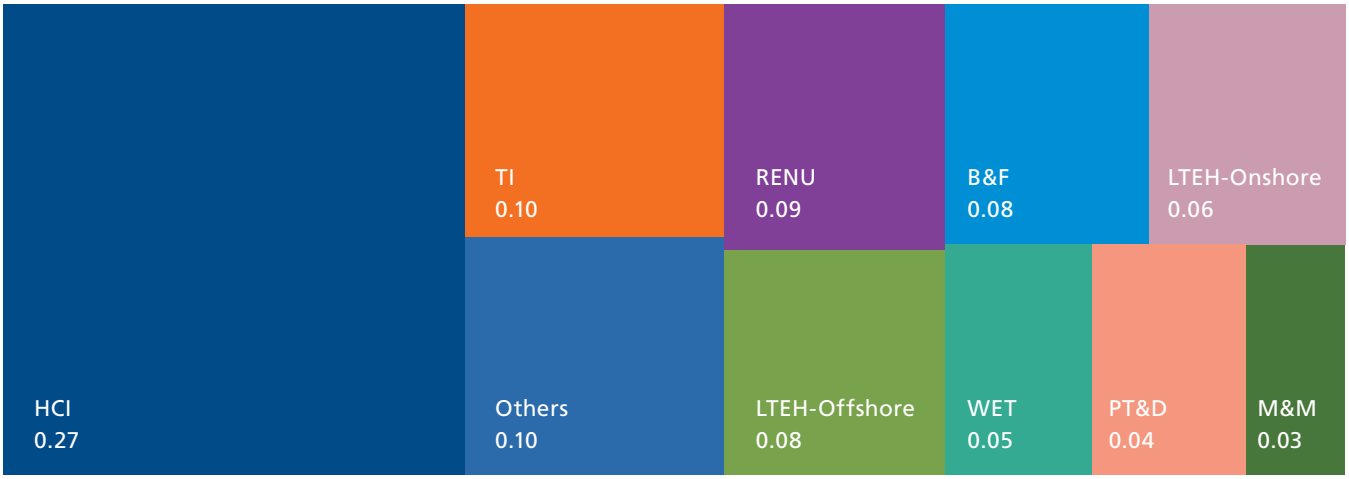
Emissions Trend *(tCO_2e)*



Emissions Intensity Trend *(tCO_2e / ₹ Cr)*



Top 10 business-wise split of Emissions [Scope 1 and 2] (Mn tCO_2e)



HCI: Heavy Civil Infrastructure, **TI:** Transportation Infrastructure, **RENU:** Renewables, **LTEH-Offshore:** L&T Energy Hydrocarbon-Offshore, **B&F:** Buildings & Factories, **WET:** Water & Effluent Treatment, **LTEH-Onshore:** L&T Energy Hydrocarbon-Onshore, **PT&D:** Power Transmission & Distribution, **M&M:** Minerals & Metals, **Others:** Heavy Engineering, Offices, L&T Energy-CarbonLite Solutions, Precision Engineering and Systems, and other businesses (Refer to 'Notes on Sustainability Information' section for business-wise breakup of all businesses)

GHG Emissions Reduction Initiatives

The Company is implementing a range of initiatives across its operations to reduce GHG emissions and support its decarbonisation objectives. These initiatives are being deployed across EPC project sites, manufacturing facilities, and office locations, with a focus on improving energy efficiency, reducing fossil fuel dependence, and increasing the share of low-carbon energy sources.

An overview of key initiatives is presented below:

Reduction levers	Scope	Actions	Emissions avoided during FY 2025-26
Biodiesel for reducing diesel consumption and emissions	Scope 1, own operations	The Company initiated the use of biodiesel two years ago as a measure to reduce diesel consumption and is now scaling up its deployment across all locations. WET business has taken a lead role in driving implementation across operations. Key challenges related to biodiesel sourcing volumes, fuel quality and equipment performance are being addressed through the dedicated task force focused on diesel consumption reduction. In parallel, phased targets have been established for systematic substitution of conventional diesel with biodiesel across all business segments.	~4,900 tCO_2e
Renewable energy (electricity)	Scope 2, own operations	In FY 2025–26, renewable electricity sourcing increased significantly across multiple sites, including manufacturing facilities at Kansbahal, Kancheepuram, Kattupalli and Talegaon and a few EPC project sites. This was enabled through a mix of on-site solar installations, Power Purchase Agreements (PPAs), and green tariff procurement.	~6,130 tCO_2e
Electrification of processes	Scope 1, own operations	Electrification of processes is being expanded across different locations of the Company. A few locations have undertaken in-house retrofitting of equipment, including the conversion of diesel-powered machinery to electric alternatives, such as the transformation of a walk-behind baby roller into an electric-powered unit at one site. The deployment of electric plant and machinery for specialised applications is also being expanded; for instance, electric Brokk machines have been successfully used in tunnelling operations.	~685 tCO_2e
Decarbonisation beyond own operations	Scope 3, value chain	Scope 3 reduction is challenging due to many elements being outside the control of the Company such as purchased goods which are primarily governed by the specifications controlled by the customers. However, the Company has started exploring some initiatives which could help reduce Scope 3 emissions. Some of these are: • Using higher grades of materials, particularly steel, and leading to quantity reduction • Use of low-carbon material or recycled material such as blended cement in place of Ordinary Portland Cement • Use of low-carbon or zero-carbon fuels in upstream transportation e.g. CNG, LNG trucks/trailers • Promoting adoption of electric vehicles by the employees, through special scheme, to reduce emissions from employee commuting	

For other initiatives implemented related to energy conservation and renewable energy, refer to Annexure 'A' to the Board Report.

Improving energy efficiency of operations

Reducing energy consumption across machines and processes remains a continuous focus area for the Heavy Engineering business at the AM Naik Heavy Engineering Complex, Hazira. During FY 2025-26, the maintenance team implemented the replacement of conventional starter-based operation of hydraulic pumps used in rolling machines with Variable Frequency Drives (VFDs). This enables precise control of pump speed based on process demand, resulting in significant energy savings, improved equipment life, enhanced system reliability and seamless integration with IoT-based monitoring and analytics for future-ready operations.

In addition, energy efficiency improvements have been undertaken in furnace-based manufacturing processes, where natural gas is used for applications such as tempering and other heat-treatment activities. Over time, operational enhancements such as leak reduction, improved heat retention and equipment upgrades have been implemented. Further, the introduction of a combustion catalyst in the furnace system has improved combustion efficiency by stabilising the molecular structure of the fuel and enabling cleaner, more efficient energy utilisation. The catalyst is blended directly into the natural gas supply line prior to burner entry, resulting in improved furnace energy performance.

~372 tCO_2e
Annual emission reduction

Reducing manufacturing processes carbon footprint

At the Pithampur manufacturing facility of the Power Transmission & Distribution business, transmission tower fabrication involves energy-intensive plate bending operations, previously powered by Light Diesel Oil (LDO) for localised heating. The facility has developed and operationalised a new furnace design capable of using Compressed Biogas (CBG) as a fuel source. Given differences in fuel characteristics, multiple design iterations and trials were undertaken to stabilise operations.

In parallel, the facility has adopted Lean Six Sigma methodologies to enhance overall process efficiency. Following the Define, Measure, Analyse, Improve and Control (DMAIC) framework, a detailed analysis was conducted to identify performance outliers, followed by implementation of engineering and administrative controls. Key interventions included installation of VFDs, idle-control timers, automated blower speed regulation using sensors, time-of-day (TOD) based load shifting, LDR-based lighting automation, and deployment of a Digital Transformer Monitoring System (DTMS) to improve power quality and reliability.

~576 tCO_2e
Avoided emissions during the year

Driving energy efficiency for customers

Energy efficiency is also embedded in the Company's customer offerings. One such case is implementation of electricity consumption initiatives by the WET business, in its O&M contract for the Bhagirathi Water Treatment Plant (455 MLD) in New Delhi. These include optimisation of pump operations through improved reservoir level management, maintenance of Automatic Power Factor Correction (APFC) panels and capacitor banks to ensure optimal power factor, replacement of halogen lighting with LED systems, LDR-based lighting controls and improved sludge management to enhance treatment efficiency.

~11 Mn units
saved over a period of 10 years





Water

Water is a critical natural resource for the Company's Engineering, Procurement and Construction (EPC) operations, particularly in civil intensive projects where usage is closely linked to construction methodologies, workforce requirements and stage of execution. While manufacturing operations are comparatively less water intensive, overall water withdrawal and consumption patterns at L&T are influenced by the scale, geography and life-cycle phase of projects, resulting in inherent variability across years. Water is central to L&T's EPC operations and community interfaces. Aligned with its ambition to achieve **water neutrality by 2035**, the Company has taken a strategic leap from consumption management to integrated water stewardship. Digital monitoring, modular treatment systems and nature-based solutions are being used to enhance water resilience across operations.

Water Neutrality Strategy

The Company's water neutrality roadmap is structured across short-, medium- and long-term horizons and anchored on three strategic levers:

- **Reduction in water consumption intensity** through optimisation of construction processes and adoption of water efficient technologies while sustaining business growth remains a key priority for the Company. This is being enabled through the deployment of water-efficient technologies and optimisation of water-intensive processes across office buildings, manufacturing facilities, and EPC project sites. Initiatives include the installation and replacement of water-efficient fixtures such as low-flow faucets, aerator taps, low-flow shower heads, sensor-based taps, dual-flush toilets and flow regulators, among others.

  At EPC project sites, particularly in civil works, the Company is adopting alternative construction methodologies to reduce water dependency. These include the use of curing compounds, optimised concrete mixes, and technologies such as steam curing, which collectively help minimise water requirements during execution while maintaining quality and other relevant parameters.
- **Reduction in freshwater dependency** by maximising reuse, recycling and alternative sourcing. In addition to improving consumption intensity, a key focus area is reducing freshwater dependency through increased reuse and alternative sourcing. This is being achieved through wastewater recycling, rainwater harvesting, and the use of treated wastewater from external sources. The Company has installed Sewage Treatment Plants (STPs) and Effluent Treatment Plants (ETPs) across all manufacturing facilities and major offices, enabling the recycling of 100% of wastewater generated for non-potable applications such as landscaping, utility cleaning, toilet flushing, gardening and fire-fighting systems. At several large EPC project sites, particularly worker camps, STPs have also been deployed to facilitate wastewater reuse. In addition to internal reuse, treated wastewater is utilised for construction-related activities including dust suppression, equipment cleaning and cooling of bulk materials such as aggregates, subject to quality and availability.

  Rainwater harvesting systems are implemented across most of the manufacturing facilities and major offices, with selective adoption at project sites depending on space availability and site conditions. While constraints related to rooftop area and storage capacity limit large-scale deployment at construction sites, the Company continues to explore scalable solutions. Further, in line with increasing municipal support for wastewater reuse in India, the Company is progressively evaluating and adopting treated wastewater from external sources, where feasible, considering logistics, transportation costs, and supply reliability. These initiatives collectively contribute to reducing freshwater withdrawal and strengthening water resilience across operations.

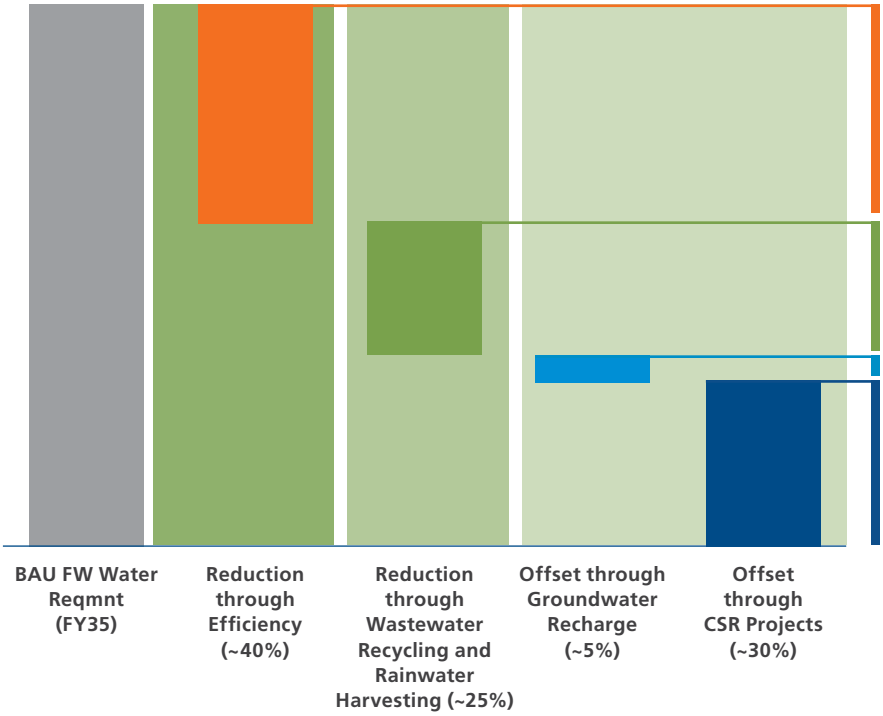
- **Water offsetting** through replenishment, conservation and restoration initiatives. Initiatives aimed at reducing water consumption and freshwater requirements will continue to be systematically scaled across all locations. However, given the inherent link between water demand and business growth in EPC-led operations, such efficiency measures alone may not be sufficient to achieve water neutrality. Accordingly, water offsetting is expected to play a critical role in bridging the gap between demand and reduction. The Company's CSR programmes have already created significant water conservation and harvesting assets across multiple locations, which are expected to contribute meaningfully to water offsetting through enhanced recharge and retention. In addition, initiatives for groundwater recharge are being progressively implemented to strengthen local hydrological resilience.

  The Company continues to evaluate and develop additional nature-based interventions to expand its water offset portfolio over time, thereby supporting its long-term water neutrality ambition.

  To enable consistent tracking across diverse operations and align with initiatives linked to water neutrality, performance is monitored using the metric of **Net Freshwater Withdrawal Intensity**, which accounts for freshwater withdrawal net of recycled, reused and alternatively sourced water. This metric is calculated as:

$$\text{Net Freshwater Withdrawal Intensity (kl/₹ Cr)} = \frac{\text{Total Water Withdrawal} - \text{Seawater withdrawal} - \text{Rainwater Harvested} - \text{Wastewater from other Industries} - \text{Offsets}}{\text{Revenue}}$$

Water Neutrality Path



- Installing water-efficient devices and equipment
- Enabling low water use processes
- Controlling losses

- Wastewater Recycling
- Rainwater Harvesting
- Using Treated Wastewater from other sources
- Groundwater Recharge
- Water Conservation in CSR Projects

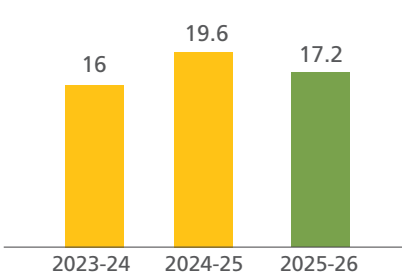
Water Initiatives and Performance

In FY 2025–26, the Company achieved a year on year reduction in water consumption intensity of **24%**, primarily reflecting the completion or transition to advanced stages of certain large EPC projects, including high speed rail and building projects, which are typically more water intensive during early execution phases. Given the project driven nature of water demand, absolute consumption levels can vary significantly year to year; however, intensity based metrics provide a more reliable indicator of underlying efficiency trends.

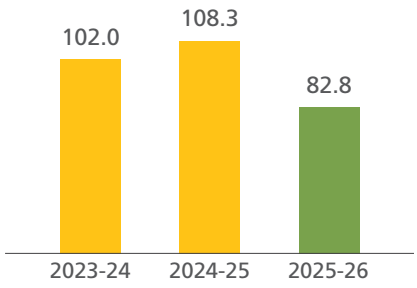
The Company has implemented Zero Liquid Discharge (ZLD) systems across its manufacturing facilities and select project sites. At locations where on-site treatment is not feasible, wastewater is managed through authorised third-party service providers to ensure responsible disposal and treatment. Additionally, L&T promotes water-efficient solutions for clients, including the adoption of water-saving technologies in certified green buildings. During FY 2025–26, wastewater recycled increased to **2.7 million kl**, contributing to a reduction in freshwater withdrawal by **13%**. Total non freshwater withdrawal during the year stood at **0.23 million kl**, comprising rainwater harvested, seawater use (where applicable) and externally sourced treated wastewater.

Through its CSR programmes, L&T has developed a portfolio of water conservation and harvesting assets across multiple geographies, including check dams, percolation ponds, recharge structures and watershed interventions. Based on an independent third party assessment, these initiatives contributed an estimated offset of **~4 million kl** in FY 2025–26, equivalent to approximately **23%** of total freshwater withdrawal. The combined impact of efficiency measures, circular water use and offsets is reflected in **Net Freshwater Withdrawal Intensity**, which stood at **86.1 kl/₹ Cr** in FY 2025–26, compared to **115.1 kl/₹ Cr** in FY 2024–25, demonstrating continued progress towards the Company's water neutrality ambition.

Freshwater Withdrawal *(Mn kl)*

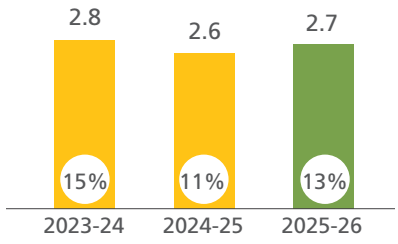


Water Consumption Intensity *(kl/₹ Cr)*



Wastewater Recycling *(Mn kl)*

% Freshwater requirement





Reuse of RO reject water



STP for recycling wastewater



Water measurement

Top 10 business-wise split of Water Withdrawal (Mn kl)



HCI: Heavy Civil Infrastructure, **TI:** Transportation Infrastructure, **RENU:** Renewables, **B&F:** Buildings & Factories, **WET:** Water & Effluent Treatment, **LTEH-Onshore:** L&T Energy Hydrocarbon-Onshore, **PT&D:** Power Transmission & Distribution, **M&M:** Minerals & Metals, **HE:** Heavy Engineering **Others:** L&T Energy Hydrocarbon-Offshore, Offices, L&T Energy-CarbonLite Solutions, Precision Engineering and Systems, and other businesses *(Refer to 'Notes on Sustainability Information' section for business-wise breakup of all businesses)*

Rainwater Harvesting to reduce freshwater

Reducing freshwater withdrawal is a key lever in the Company's water neutrality roadmap. At the AM Naik Heavy Engineering Complex, Hazira, multiple measures such as deployment of water-efficient devices and 100% recycling of wastewater have already been implemented. Building on these efforts, the team undertook a structured initiative to augment rainwater harvesting capacity within the facility. A detailed site assessment - considering land gradient, catchment potential, soil characteristics and proximity to water demand centres, was conducted to identify an optimal location. The harvesting pond was designed to maximise storage capacity, followed by excavation, contouring, geomembrane lining and embankment stabilisation. A dedicated pump and pipeline network was installed to enable efficient utilisation of stored water across operations. This initiative enhances on-site water availability, reduces freshwater intake and contributes directly to progress towards water-neutral operations.

A similar approach has been adopted by L&T Realty at an under-construction residential project in Sewri, Mumbai, where a defunct well within the project premises was revived and integrated into a rainwater harvesting system. The solution involved diverting filtered rainwater to a storage tank and retrofitting the existing well into a multi-ring recharge structure comprising concentric perforated casings layered with graded filtration media to enable effective percolation and in-situ filtration. Water quality is monitored through periodic sampling to ensure compliance with non-potable usage standards. This intervention reduces dependence on external water sources, lowers operational costs and minimises emissions associated with water transportation, while offering a scalable model for sustainable urban water management.

Estimated reduction in freshwater withdrawal of approximately

30,000 kl
at Hazira

17,000 kl
in Mumbai


Rainwater harvesting at AMNHEC, Hazira


Recharge ring well, Mumbai

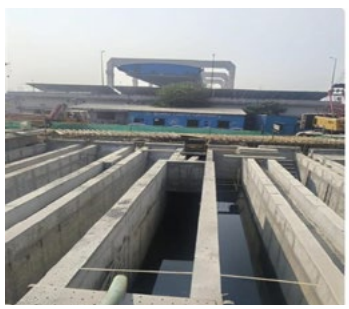
Containerised STP for circularity in water use

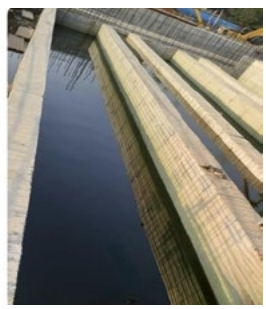
Execution of civil works at EPC project sites requires significant volumes of water, particularly for concrete-related activities. In a contract related to construction of major sewage treatment plant in Mumbai, the project team of WET business identified an opportunity to reduce freshwater dependency by leveraging the availability of sewage through the existing network of the municipal corporation. Following evaluation of multiple options, a containerised Sewage Treatment Plant (STP) was deployed at site. The modular STP, based on Moving Bed Biofilm Reactor (MBBR) technology followed by Ultrafiltration (UF), offers a compact footprint and readily deployable, making it well-suited for constrained urban project environments. The treated wastewater meets prescribed quality standards and is reused for a range of non-potable applications, including curing of concrete structures, hydrotesting, dust suppression, landscaping, and fire-fighting systems. While the initial capital cost is higher compared to conventional STPs, the investment is offset within approximately three years through savings in freshwater procurement. Additionally, the initiative reduces emissions associated with transportation of water through tankers. This solution exemplifies the practical application of circular economy principles, enabling resource efficiency and sustainable infrastructure development in dense urban settings.

Freshwater withdrawal avoided in FY 2025-26:

~36,050 kl







Technology and Innovation in Water Stewardship

Technology plays a pivotal role in strengthening water resilience across operations. The Company continues to deploy modular and containerised treatment solutions at project sites, digital monitoring of water and data driven optimisation of treatment and reuse systems. These interventions not only reduce freshwater withdrawal, but also lower emissions associated with water transportation and enhance cost efficiency over the project life-cycle.

Through this integrated approach, combining efficiency, circularity, offsets and technology, L&T is strengthening water stewardship while supporting responsible infrastructure development and long term value creation.

Medium-term Targets on Natural Capital

The Company had set medium-term targets for Carbon and Water Neutrality, which are a part of the just completed **Lakshya 2026** strategy plan which are:

30%
Emissions Intensity Reduction by FY 2025-26
(compared to FY 2020-21 Baseline)

25%
Energy Intensity Reduction by FY 2025-26
(compared to FY 2020-21 Baseline)

1.5-2 Mn
Sapling plantation every year

For the next cycle i.e. FY 2026-27 to FY 2030-31, the process of finalisation of the targets across various KPIs related to Carbon Neutrality, Water Neutrality and other areas is underway. KPIs and targets being set are:

- **Emissions Intensity Reduction** (compared to FY 2025-26 baseline)
- **Energy Intensity Reduction** (compared to FY 2025-26 baseline)
- **Renewable % in Electricity Consumption by FY 2030-31**
- **Net Freshwater Withdrawal Intensity Reduction** (compared to FY 2025-26 baseline)
- **Non-Hazardous waste Recycling by FY 2030-31**
- **Zero-Waste-to-Landfill status by FY 2030-31: All Manufacturing facilities and 10% of EPC project sites in India**
- **% Sustainable Materials used**



Waste Management and Circular Economy

Effective waste management is a material environmental consideration for L&T, given the scale and diversity of its EPC and manufacturing activities. The Company adopts a structured, responsible and technology enabled approach to waste management, aligned with circular economy principles and focused on minimising waste generation at source, maximising reuse and recycling, and ensuring safe, compliant disposal of residual waste. This approach directly supports resource efficiency, cost optimisation and reduction of environmental footprint.

Approach towards Waste Management

L&T's waste management strategy is anchored in the 3R framework – Reduce, Reuse and Recycle. This framework is operationalised through the Company's Environment, Health and Safety (EHS) Management System, which provides standard operating procedures, governance mechanisms and monitoring controls across all locations.

All manufacturing facilities, offices and EPC project sites implement location or project specific waste management plans aligned with statutory requirements and operational context. Core elements of the approach include:

- Identification and quantification of waste streams
- Segregation of waste at source
- Safe collection, handling and interim storage
- Reuse and recycling, wherever technically and economically feasible
- Environmentally sound disposal of residual waste through authorized channels

All manufacturing facilities, offices and EPC project sites have project/ location specific waste reduction targets.
For disposal, the Company engages Pollution Control Board (PCB) authorised recyclers and processors, ensuring full compliance with applicable waste management regulations. While compliant disposal remains essential, priority continues to be placed on reducing waste sent to landfill by expanding reuse and recycling pathways. This approach reduces dependence on virgin natural resources, lowers emissions associated with transportation and disposal, and minimises waste sent to landfill.

Hazardous Waste Management

Hazardous waste is managed strictly in accordance with applicable laws and regulatory requirements. Common hazardous waste streams include used oil, oil soaked waste, paint and chemical residues, used containers, spent batteries, ETP sludge, e-waste and biomedical waste.

Key features of the Company's hazardous waste management approach include:

- Disposal exclusively through government approved and authorised recyclers/processors
- No import, export, transport or treatment of hazardous waste covered under the Basel Convention
- In select locations, partnership with authorised processors for pre-treatment of specific waste streams (e.g. oil soaked rags) and conversion into refuse derived fuel for co-processing in kilns, thereby avoiding incineration and enhancing resource recovery

Non-Hazardous Waste Management

Major non-hazardous waste streams include construction and demolition (C&D) waste, ferrous and non-ferrous scrap, wood and plywood waste, packaging materials and food waste. Given the execution centric nature of the business, a significant portion of non-hazardous waste arises from EPC project sites.

Waste segregation at source is a fundamental practice across all locations, enabling efficient reuse, recycling, and proper channelisation of waste streams. In line with circular economy principles, on-site reuse and recycling are prioritised to minimise transportation, cost and landfill burden.

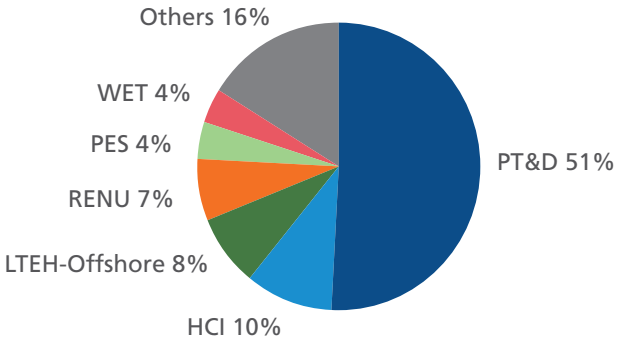
- **C&D waste** is reused on site to the maximum feasible extent for applications such as backfilling and temporary access roads, with residual material disposed of through authorised parties
- **Metal, electrical and wooden scrap** is channelled to authorised recyclers for recovery and reuse as secondary raw material
- Other waste streams are managed based on site specific feasibility of processing, reuse or recycling

During FY 2025–26, waste generation intensity increased from **3.2 tonnes/₹ Cr to 3.9 tonnes/₹ Cr**, largely due to dismantling activities at precast yards and other facilities associated with the completion of large contracts, including high speed rail projects. Waste quantities and intensity are inherently linked to project nature, scale and life-cycle stage. Accordingly, strategic focus remains on improving recycling rates and advancing towards **Zero Waste to Landfill (ZWL)** across major locations.

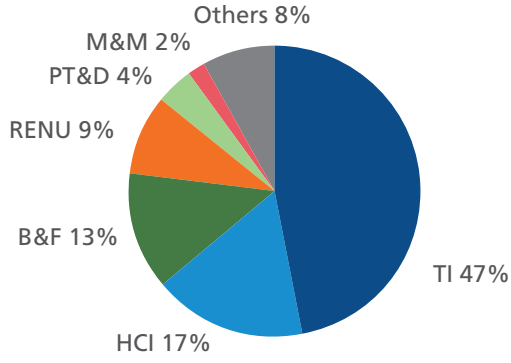
Waste Generation and Disposal for FY 2025-26 (in tonnes)

Category	Hazardous waste	Non-Hazardous waste
Generation	4,775	5,91,418
Recycled/Reused	504	3,09,750
Disposed/Sold	4,097	2,66,982

Business-wise split of waste generation



Hazardous waste generation



Non-Hazardous waste generation

HCI: Heavy Civil Infrastructure, **TI:** Transportation Infrastructure, **RENU:** Renewables, **LTEH-Offshore:** L&T Energy Hydrocarbon-Offshore, **B&F:** Buildings & Factories, **WET:** Water & Effluent Treatment, **PT&D:** Power Transmission & Distribution, **M&M:** Minerals & Metals, **PES:** Precision Engineering and Systems **Others:** Heavy Engineering, Offices, L&T Energy-CarbonLite Solutions, and other businesses *(Refer to 'Notes on Sustainability Information' section for business-wise breakup of all businesses)*

Waste Reuse and Recycling for Circularity

Key initiatives undertaken to enhance material circularity and reduce waste include:

- C&D waste from concrete and civil works is reused for applications such as temporary access roads and backfilling, and is further processed into aggregates, manufactured sand, and, in select cases, paver blocks for on-site use
- Ferrous and non-ferrous scrap is repurposed into ancillary materials such as cable and pipe supports, barriers, boards, and site furniture
- Wood and plywood waste reused or repurposed into temporary site structures, shelving and boards

These initiatives contribute to cost optimisation, reduction in emissions associated with waste transportation and disposal, minimisation of landfill burden, and improved resource efficiency; reinforcing the Company's commitment to sustainable project execution and circular economy principles.

~ 2.9 lakh
tonnes of C&D waste diverted away from landfill in FY 2025-26







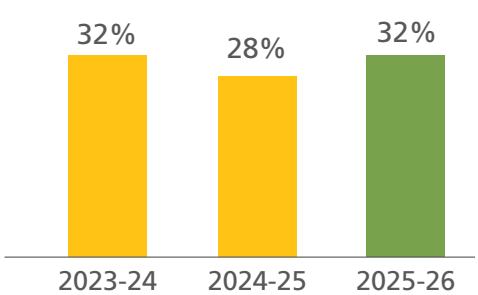
Sustainable Materials and Resource Efficiency

Recognising the importance of embedding sustainability in material sourcing and usage, the Company actively promotes the adoption of non-virgin and environmentally sustainable materials across its operations. Key materials include:

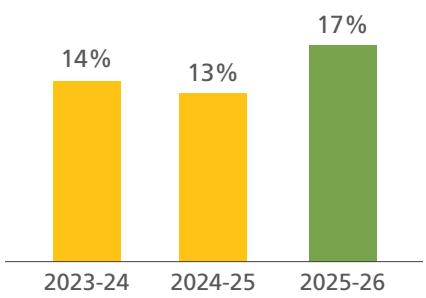
- **Fly ash**, a by-product of coal based thermal power plants, as a partial replacement for cement
- **Ground Granulated Blast Furnace Slag (GGBS)**, a processed by-product from the steel industry, as a cement substitute as well as aggregates
- **Manufactured Sand,** in place of natural or river sand
- **Recycled steel and zinc,** used in galvanizing and fabrication processes, at the Company's manufacturing facility for transmission line towers

The use of such materials contributes to lowering embodied carbon, conserving natural resources and promoting industrial waste utilisation, in alignment with circular economy principles. However, wider adoption of recycled and alternative materials is often constrained by design codes, regulatory standards and client specifications, which limit flexibility in material selection despite demonstrated environmental benefits.

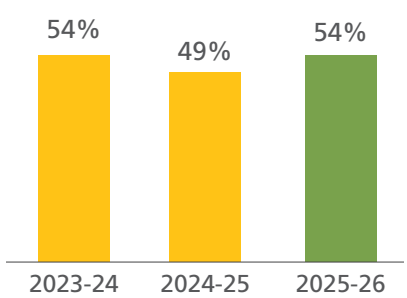
% of Sustainable materials of total bulk materials



% of Fly ash and GGBS in cementitious materials



% of Manufactured sand of total sand



Reuse of concrete waste

Civil works at EPC project sites generate concrete waste, including slurry from cube testing and process losses. The Heavy Civil Infrastructure business has implemented initiatives to recycle such waste on-site. One key initiative is reuse of concrete waste into crash barriers installed at the site. The waste concrete (slurry form) is collected and poured into specially designed moulds to produce these barriers in-situ. This not only recycles the waste at the location itself but also reduces the cost and emissions linked to concrete waste disposal outside the site.

~1,600 tonnes
Concrete waste recycled in FY 2025-26 for crash barriers



Modular Biogas plants

Biogas is a key lever for reducing emissions and enabling sustainable waste management. While biogas plants are typically deployed at manufacturing facilities, one EPC project site (MAHSR) of the Heavy Civil Infra business has implemented a modular biogas plant using organic waste generated from the worker camp. The biogas produced is utilised for cooking in the camp kitchen, enabling on-site waste recycling and reducing reliance on external energy sources. This initiative supports circular resource use and emissions reduction.

~33 tonnes
Organic waste recycled, ~2,100 kgs of LPG avoided



Substituting virgin materials

Hot mix plants used in asphalt production generate fines (<75 microns) as a by-product, which are typically disposed of unless reused in road construction.
At the Meerut–Hapur Ganga Expressway project, the Transport Infrastructure–Roads business explored sustainable utilisation of these fines to address stockpiling and dust concerns. Following technical validation, the fines were used as a substitute for natural soil and aggregates in embankment construction. The material is stored at designated locations with dust control measures and transported in covered dumpers for site use. This initiative supports circular economy principles by enabling substitution of virgin materials and reducing waste generation.

~57,000 tonnes
Concrete waste recycled in FY 2025-26 for crash barriers



One of the major offices certified 'Single Use Plastic Free'

L&T Knowledge City, Vadodara (Gujarat), has become the second major office of L&T to achieve Single-Use Plastic (SUP)-Free certification, following the certification of AM Naik Heavy Engineering Complex, Hazira in 2025. The initiative was driven by a cross-functional task force comprising stores, EHS, canteen services, and other key functions. Through systematic elimination, substitution and reduction measures, the facility eliminated approximately 1.3 tonnes of single-use plastic. Spanning 95 acres and with over 9,000 employees across multiple businesses, this achievement reinforces the Company's commitment to plastic circularity and sustainable workplace practices.



CERTIFICATE

SUP SINGLE-USE PLASTIC free

This is to certify that
Larsen and Toubro Limited
L&T Knowledge City, Gate No: 1, Ajwa Waghodia Crossing, N.H 48, Vadodara-390019

is Single-use Plastics Free®, as verified by the Confederation of Indian Industry under the provisions of the CII Plastics-use Protocol: Verification and Certification.

This Certificate is valid from
24 March 2026 to 23 March 2027

Sanjay Arora
Deputy Director General
Confederation of Indian Industry

Biodiversity

Nature loss and climate change are closely interconnected, with ecosystems playing a critical role in climate mitigation, adaptation and long term societal resilience. L&T recognises that its operations and value chain depend on ecosystem services such as land, water and biodiversity, while also having the potential to impact natural habitats through land use change, infrastructure development, resource consumption and associated activities. Accordingly, the Company is committed to minimising ecological disturbance and contributing to the protection, conservation and restoration of biodiversity as an integral part of responsible infrastructure development.

L&T is progressively strengthening its biodiversity management through structured processes, data driven assessments and digital documentation, enabling informed decision making and improved ecological outcomes across diverse geographies.

Approach to Biodiversity Management

The Company's approach to biodiversity is guided by the following principles, which are embedded across project planning, execution and monitoring:

- Minimisation of impacts during the construction phase through responsible design, sequencing and execution practices
- Compliance with applicable national, state and local environmental regulations, statutory clearances and contractual requirements
- Implementation of biodiversity safeguards and conservation measures as defined in project specific environmental management and biodiversity conservation plans
- Restoration and rehabilitation of habitats where impacts are unavoidable
- Environmental Management Plans (EMPs), site level monitoring and governance oversight provide the operational framework to ensure consistent implementation of these principles.



Key Actions and Initiatives

- **Greenbelt and Landscaping Initiatives:** Across the Company's locations in manufacturing facilities, offices and EPC project sites, greenbelts development and maintenance are undertaken using native species to promote ecological balance, reduce dust and noise and support local flora and fauna.
- **Biodiversity Conservation Projects:** Select locations or business units undertake local biodiversity initiatives such as mangrove restoration, large scale plantation.
- **Capacity Building and Awareness:** Employees and workers made aware on ecological sensitivities and conservation practices through training sessions.

A few Company locations are situated in or near eco-sensitive zones, where proactive measures have been implemented to prevent ecological harm. *Details of such locations and associated initiatives are disclosed under Leadership Indicator 3 of Principle 6 in the BRSR section of the Integrated Annual Report FY 2025–26.*

Further, the Company undertakes large-scale plantation programmes with a target of **1.5-2 million saplings** annually. In FY 2025–26, **approximately 1 million saplings were planted and over 10 million saplings were planted over last five years (FY 2022-26)**, reinforcing its commitment to ecosystem restoration and biodiversity enhancement.



Topsoil and Fauna Conservation

Land-use change presents environmental and community-related impacts, including loss of fertile topsoil. At Sazagan 1 and 2 EPC project sites in Uzbekistan of the Renewables business, significant quantities of topsoil were excavated during preparatory works. While managed in line with contractual requirements, prolonged stockpiling posed risks such as dust generation and erosion.

To address this, the project team implemented a structured approach to redistribute surplus topsoil to neighbouring communities. Environmental assessments confirmed that the material was suitable for agricultural use and free from environmental risks. Prior written approval was obtained from the Regional Environmental Inspectorate, and a controlled extraction plan was developed to ensure compliance with erosion control and construction requirements, aligned with IFC/European Bank for Reconstruction and Development (EBRD) resource efficiency principles.

The initiative enabled productive reuse of natural resources while supporting local agricultural needs.

~6,000 cu.mtrs
Topsoil conserved and redistributed for agricultural purpose

The sites are located within a semi-arid steppe ecosystem, and which is a natural habitat for the Central Asian Tortoise (*Testudo horsfieldii)*, a species listed as Vulnerable (VU) on the IUCN Red List of Threatened Species. The species is burrow-dependent, slow-moving and highly sensitive to land disturbance and thus facing potential threat from the construction activities. Pre-construction biodiversity walkover surveys confirmed a high density of tortoise burrows and individuals across the sites. Moving beyond a purely outsourced or reactive model, the site team developed an integrated approach to tortoise protection, combining habitat-based solutions, controlled relocation, veterinary oversight and daily monitoring. A fenced 'no-go-zone' with natural vegetation, soil and climatic conditions equivalent to the original tortoise habitat was established. Shallow water points and winter trenches were prepared to support natural hibernation conditions. Feeding, veterinary screening and daily monitoring were carried out by the EHS team at site.

Over 800 tortoises
relocated (February – April 2026)

Driving awareness in protecting nature

At the Lower Kopili Hydroelectric Project (HEP) site in Assam under Heavy Civil Infra business, a fauna identification and protection initiative was conducted in alignment with the Great Backyard Bird Count. The exercise aimed to scientifically document avian species within the project and surrounding areas and create a permanent ecological record through the Global eBird platform. To extend awareness to local communities, biodiversity workshops were also conducted in two schools.

A total of **20 avian species** were identified, photographed, and recorded, contributing to ecological documentation and fostering community engagement in biodiversity conservation.





Air Quality Management and Noise Management

Air quality and noise pollution are significant environmental and public health considerations, particularly in urban and industrial environments. L&T recognises its responsibility to minimise adverse impacts arising from construction, manufacturing and infrastructure development activities, while ensuring the health, safety and well being of its workforce and surrounding communities.

In India, air pollution continues to be a key environmental challenge, reflected in the Government's launch of the National Clean Air Programme (NCAP) to address pollution levels across cities and industrial regions. In this context, L&T adopts a proactive, technology enabled and compliance driven approach to manage air quality and noise across its project sites, manufacturing facilities and offices.

Air Quality Management

Air quality management is integrated into the Environment Management Plans (EMPs) and operational controls, particularly at EPC project sites located in urban areas or near environmentally sensitive receptors. Through a combination of engineering controls, procedural measures and monitoring systems, L&T seeks to prevent, reduce and control air emissions associated with construction and operational activities.

Key measures implemented across locations include:

- **Dust suppression** for materials stored on site and during material handling and transportation, primarily through water sprinkling and other suitable control mechanisms
- **Wheelwash facilities** provided near exit points at site setups to prevent dust and debris from being carried beyond project boundaries
- **Barricading and covering** of exposed construction zones, material stockpiles and community facing areas using hessian cloth, steel boards or equivalent barriers to limit particulate dispersion
- **Ambient air quality monitoring**, carried out through approved third party agencies at designated locations, with parameters monitored in line with applicable regulatory standards
- **Regulatory reporting**, including submission of monitoring results to Pollution Control Boards, local authorities and clients, ensuring transparency and compliance with statutory and contractual requirements

Leveraging digital tools and real time data capture, the Company continues to strengthen air quality monitoring and reporting frameworks, enabling timely interventions and continuous improvement.





Noise Management

EPC project execution involves extensive use of construction machinery and equipment, which can generate elevated noise levels with potential impacts on workers and nearby communities, particularly in dense urban settings. L&T adopts a systematic approach to noise management aimed at preventing occupational exposure risks and minimising off site disturbance. Key noise management measures include:

- **Provision of personal protective equipment (PPE)** such as ear plugs and earmuffs to personnel working in high noise areas
- **Installation of noise barriers and barricades** in sensitive locations to reduce noise transmission beyond site boundaries
- **Use of acoustic enclosures** for high noise generating equipment, including crushers and large diesel generator sets
- **Noise monitoring systems and sensors** installed at project sites to enable continuous tracking of noise levels and ensure adherence to regulatory thresholds

Through a combination of engineering controls, monitoring and worker awareness, the Company seeks to proactively manage noise impacts while maintaining safe, compliant and efficient project execution.

As part of its commitment to responsible operations, L&T continues to enhance air and noise management practices through adoption of improved equipment, cleaner technologies, digital monitoring systems and data driven decision making. These efforts not only support compliance and community well being but also contribute to safer workplaces and more sustainable infrastructure delivery.

Green Buildings

The sustainable built environment is a significant global megatrend, driven by the need to reduce environmental footprints, enhance resource efficiency and improve occupant well being. L&T is committed to advancing this transition by systematically integrating green building principles into the design, execution and operation of both Company owned assets and infrastructure delivered for its clients.

L&T leverages innovative design approaches, digital tools, advanced building systems and data driven performance monitoring to deliver high performance green buildings that combine environmental responsibility with operational excellence.

The Company currently has **16 green certified buildings** across multiple locations, reflecting sustained focus on energy efficiency, water stewardship, sustainable materials and indoor environmental quality. During FY 2025–26, **two newly operational buildings developed by the Realty business in Chennai achieved LEED Platinum certification**, demonstrating best in class sustainability performance and adherence to globally recognised green building standards.

Beyond its own facilities, L&T continues to embed green building principles into client offerings across sectors. During the year, the Company delivered approximately **19.7 million sq. ft**. of client infrastructure aligned with **IGBC, LEED or equivalent green building standards**, supporting reduced life-cycle environmental impact and enhanced asset value for customers.

Through the consistent application of green building standards, technology enabled design optimisation and performance oriented execution, L&T is contributing to the development of climate responsive, resource efficient and future ready built environments—reinforcing its role as a responsible infrastructure developer and enabler of sustainable urbanisation.



Green Campus Framework

In FY 2024–25, L&T developed and rolled out a bespoke **Green Campus Framework** for its major offices and facilities, drawing on leading global and national green building standards. The framework covers key sustainability parameters including energy efficiency, water management and use of sustainable resources, with the objective of enhancing environmental performance and creating a replicable model for sustainable workplaces.

All major locations were assessed and rated under this framework. In 2025, **five locations** achieved the 'Leader' rating (score above 70 on a 100-point scale). The Company plans to progressively raise the threshold each year, with the objective of all major offices and facilities achieving 'Leader' status. The top two performing locations were also recognised at **ECOPHORIA 2025** *(refer to ESG Training and Awareness under Human Capital for further details).*

The Green Campus Framework has streamlined and standardised several existing sustainability initiatives, while also introducing new interventions to enhance sustainability performance across key locations.

- **Energy Efficiency & Decarbonisation:** Deployment of high-efficiency cooling systems (5-star rated appliances), IE4 or IE5 motors, solar street lighting, and heat pumps/solar water heaters, supported by energy audits.
- **Water Efficiency & Circularity:** Adoption of low-flow and sensor-based fixtures, drip irrigation, on-site wastewater treatment with reuse (including ZLD), rainwater harvesting, and digital water monitoring with periodic audits
- **Waste Reduction & Circular Management:** On-site treatment of organic waste through composting/digesters, elimination of single-use plastics through alternatives and regular waste audits
- **Sustainable Materials & Resource Use:** Reduction in ozone-depleting substances (ODS), and use of eco-friendly/organic cleaning products



Sustainable Finance

L&T has strategically aligned its capital management approach by adopting sustainable financing structures that link financing costs to environmental performance-in the areas of water stewardship and decarbonisation.

The Company became the first Indian corporate to issue and list a Sustainability Linked Bond (SLB) under the new framework for ESG debt securities issued by Securities Exchange Board of India (SEBI) in 2025, raising ₹ 500 crore through HSBC. This was subsequently expanded through a USD 700 million Sustainability-Linked Trade Facility (SLTF) with Standard Chartered, reflecting a broader transition towards integrating sustainability into the trade finance portfolio.

Progress on key KPIs used for both the instruments is:

KPI	UOM	FY 2025-26 Performance	
		Value	Reduction vs FY 2024-25
GHG emissions intensity	tCO_2e/ ₹ Bn	590	4.8%
Net freshwater withdrawal intensity	kl/ ₹ Bn	8,600	25.2%

To ensure credibility and transparency, the framework incorporates external validation through Second-Party Opinion (SPO) providers, along with annual third-party assurance of performance data, strengthening stakeholder confidence in the Company's sustainability-linked financing approach.

Climate Scenario Analysis and Climate Risks

L&T recognises climate change as a material risk with the potential to significantly influence its operations, value chain, asset base and long term strategy. Climate related impacts manifest across both **physical risks** such as extreme weather events and changing climatic patterns, and **transition risks** arising from evolving policies, technologies, market dynamics and stakeholder expectations. While certain impacts are immediate and observable, others are gradual and systemic, requiring forward looking assessment, scenario based analysis and strategic preparedness.

In line with global best practices, L&T integrates climate scenario analysis into its strategic planning and enterprise risk management processes. By leveraging structured modelling, data driven insights and internationally recognised frameworks, the Company evaluates the resilience of its business model and operations under a range of plausible climate futures. Climate related risks and opportunities are identified, assessed and managed in alignment with the **Task Force on Climate related Financial Disclosures (TCFD)** framework.

The Company has established governance, risk management and mitigation mechanisms to address identified climate risks and enhance operational resilience. At the same time, scenario analysis has helped identify climate related opportunities—such as energy efficiency improvements, development of low carbon solutions, green infrastructure and innovation in sustainable technologies—which are being progressively integrated into business strategy to support long term value creation.

Approach towards Scenario Analysis

L&T has assessed both physical and transition climate risks using globally recognised scenarios and pathways to inform strategic decision making.

- Physical risks have been evaluated using IPCC aligned Shared Socioeconomic Pathways (SSPs) combined with Representative Concentration Pathways (RCPs), enabling assessment of potential impacts on infrastructure, operations, workforce and communities under different climate trajectories.
- Transition risks have been assessed using International Energy Agency (IEA) scenarios, reflecting varying levels of policy ambition, technological advancement and market responses associated with the global transition to a low carbon economy.

	Scenarios considered	Rationale	Scenarios considered	Rationale
 **Physical Risk**	**SSP 1 + RCP 2.6**	Represents a sustainability oriented development pathway with global temperature rise limited to ~1.5 °C by 2100, supported by strong policy action and technological progress.	**SP 5 + RCP 8.5**	Represents a fossil fuel intensive development pathway with global temperature rise exceeding 4 °C by 2100, characterised by policy uncertainty and slower technology adoption.
 **Transition Risk**	**IEA STEPS (Stated Policies Scenario)**	Reflects current and stated policy trajectories, providing a realistic baseline of future pathways based on existing commitments and market conditions.	**IEA NZE 2050**	Outlines a pathway aligned to the 1.5 °C goal, focusing on clean electricity, energy efficiency, low emission fuels and methane abatement- key levers in L&T's decarbonisation strategy.

Time Horizons considered for Scenario Analysis and Risk Assessment

Horizon	Time Period	Rationale
2030	Short-Term	Assessment of near term risks requiring operational and tactical changes.
2040	Medium-Term	Identification of risks and opportunities requiring investments and planning lead time.
2050	Long-Term	Evaluation of strategic implications for assets, business portfolio and long term value creation.

This integrated, scenario based approach enables the Company to stress test operations across plausible climate futures, identify vulnerabilities and opportunities, and embed climate resilience into strategic planning. Insights from this analysis support the development of targeted mitigation and adaptation strategies and strengthen preparedness for climate related uncertainty.

Climate Risks and Opportunities

Physical Risks

Acute Physical

Risk (R) / Opportunity (O)	Potential Impact		Response/Actions
Heat Stress: Extreme high temperature (heat waves) impacting health and safety of the workforce and the business (R)	• Higher indirect costs (e.g., healthcare, cooling, rest measures) • Reduced productivity impacting project execution and output	Short-term: Medium Medium-Term: Medium-High Long-Term: High	• Proactive monitoring of weather forecasts and advisories • Enhanced heat stress management: adjusted work timings avoiding peak temperature period, mandatory rest breaks, shaded rest areas with cooling and hydration facilities • Contract schedule adjustments in consultation with clients, including potential sharing of incremental costs
Extreme precipitation, resulting in pluvial or riverine flooding, impacting the safety of equipment as well as the workforce (R)	• Higher indirect costs for flood management and asset protection • Increased maintenance and replacement costs for equipment • Rising insurance premium	Short-term: Low-Medium Medium-Term: Medium Long-Term: Medium	• Proactive tracking of the weather projections and advisories issued • Preventive measures e.g., additional protection, shifting of resources etc. to mitigate impacts • Contract schedules revisions in discussion with clients; claims for force majeure events

Chronic Physical

Risk (R) / Opportunity (O)	Potential Impact		Response/Actions
Changing weather patterns, deviating from historical trends, impacting execution as well as logistics (R)	• Delays in contract execution and challenges in resource allocation • Additional costs due to alternative arrangements or accelerated execution requirements	Short-term: Low-Medium Medium-Term: Medium Long-Term: Medium	• Climate data analysed at the bidding stage and at the start of execution • Enhanced tracking of weather patterns during the execution phase to explore and implement alternative arrangements
Water Stress: Water sourcing and availability becoming a challenge in many locations, particularly during summer months (R)	Increased costs for water sourcing	Short-term: Low-Medium Medium-Term: Medium Long-Term: Medium-high	• Identification and securing of alternate water sources • Company-wide initiatives to reduce freshwater use through wastewater recycling, rainwater harvesting, and improved water efficiency

Transition Risks

Policy & Legal

Risk (R) / Opportunity (O)	Potential Impact		Response/Actions
Non-compliance with changing laws and regulations - domestic and international (R)	• Increase in direct or indirect costs for process changes to ensure compliance	Short-term: Low Medium-Term: Low-Medium Long-Term: Medium	• Proactive monitoring of regulatory changes and gap assessment in systems/processes • Engagement with policymakers to address challenges and optimise compliance costs
Carbon tax or carbon pricing being imposed on industries – domestic and international (R)	• Increase in indirect costs due to carbon tax • Increase in landed prices of products delivered and possible negative impact on the business	Short-term: Very Low Medium-Term: Low-Medium Long-Term: Medium	• Track development in carbon tax and pricing and assess the potential impact • Formulate a strategy to mitigate impact of carbon taxes

Reputation

Risk (R) / Opportunity (O)	Potential Impact		Response/Actions
Non-compliance by supply chain partners or contractors and leading to negative feedback or concern from stakeholders (R)	• Increase in direct costs to handle current vendors or develop new vendors • In few cases, financial liabilities arising from contractual breaches or regulatory noncompliance by supply chain partners	Short-term: Low Medium-Term: Low-Medium Long-Term: Medium	• Stronger vendor due diligence and approval process • Regular audits, compliance checks and performance reviews • Vendor grievance and escalation mechanism implemented to ensure early identification and resolution of issues

Market

Risk (R) / Opportunity (O)	Potential Impact		Response/Actions
Decrease in potential business from fossil fuel-linked sectors (R)	• Decline in business opportunity (order inflows and revenue) for the Company's businesses linked to such sectors	Short-term: Low-Medium Medium-Term: Medium-High Long-Term: Very High	• Periodic assessment of the market scenario and refinement of business strategy
Increased investments and business from renewable energy sector (O)	• Increased revenue from renewable energy sectors • Increase in capital expenditure to address some of these opportunities	Short-term: Medium-High Medium-Term: High Long-Term: High	• Businesses developed dedicated to renewable energy offerings: Renewables, Offshore Wind • Green and Clean Energy incubated as a new business to target opportunities linked to green hydrogen and related areas
Increasing demand for business offerings with a positive impact on the environment, e.g. clean mobility (O)	• Increased revenue from 'Green Business' offerings, which have a positive impact on environment	Short-term: Medium-High Medium-Term: High Long-Term: Very High	• Green business - a portfolio of business offerings of the Company developed over the years - being enhanced to align better with the market needs

Technology

Risk (R) / Opportunity (O)	Potential Impact		Response/Actions
Inability to adopt clean technologies in business operations, e.g. electric P&M, battery energy storage (R)	• Increase in capital expenditure or upfront costs to replace current equipment or adopt new technologies	Short-term: Low Medium-Term: Medium Long-Term: High	• Track technology developments and explore viable options for implementation • Annual revenue and capex budgeting includes new technology adoption • Cost implications and benefits may be shared with clients, depending on contractual provisions
Innovation to adapt current processes and systems to handle future requirements, e.g. waste recycling (O)	• Increase in capital expenditure for processes changes • In some cases, there may be cost savings in comparison to current processes	Short-term: Medium Medium-Term: Medium-High Long-Term: High	• Initiatives identified and implemented to adapt or modify the current processes • Engaging with clients to incorporate new ways in the existing or new contracts, including sharing of costs and benefits

Climate Risk Assessment of Manufacturing Facilities at Hazira and Kattupalli

In FY 2025–26, a focused climate risk assessment was conducted with support from a recognised third-party for AMNHEC–Hazira and Kattupalli facility, the Company's two largest manufacturing facilities supporting key businesses including Heavy Engineering, L&T Energy Hydrocarbon–Offshore, Precision Engineering and Systems, and L&T Energy Carbon Lite Solutions. In addition to Company-level risks, these locations are exposed to coastal and riverine flooding and cyclonic events due to their proximity to the seashore and river systems.

Risks were modelled using a proprietary climate analytics tool for short-term (2030) and long-term (2050) horizons. Physical risks were assessed under IPCC-aligned scenarios—SSP1-2.6, SSP2-4.5, and SSP5-8.5—while transition risks were evaluated using IEA scenarios, including STEPS and NZE 2050. Each hazard was assessed separately for the identified business units, recognising variations in risk exposure across geographies and asset types.

Summary of analysis of risks identified (based on SSP5-8.5 scenario and IEA NZE 2050):

Physical Risks

Extreme Heat	Flood	Cyclone	Sea Level Rise	Wildfire	Water Stress
High	Medium	Medium	Low	Very Low	Low-Medium

Transition Risks

Emerging Laws and Regulations	Emerging Carbon Pricing Mechanism	Market Shift Towards Products Supporting RE Generation	Shift towards RE sources	Customer Preference Towards Greener Products	Switch Towards Energy Efficiency in Manufacturing Process	Increasing Awareness Among Stakeholders and Transparency in Disclosures
Medium	High	Low-Medium	Medium	Medium	Medium	Medium

Scale

Very Low | Low | Low-Medium | Medium | High | Very High

Key adaptation measures suggested:

Operational (short-term)	Strategic (long-term)
• PPEs and work-wears designed for heat stress • Updating Emergency Management Plans to incorporate heat stress, precise flood levels, cyclone categories • Real-time drainage monitoring • Audit of buildings and equipment for cyclone risk • Climate-linked or parametric insurance	• High-heat zones spot cooling systems across all facilities • Replacement/modification of existing infrastructure with heat-resilient design/features • Modification of flood prone areas to improve drainage • Formulation and implementation of Integrated Multi-Hazard Climate Adaptation • Shadow carbon pricing mechanism • Vulnerability and transition preparedness of upstream supply chain partners and vendors • Invest in R&D to adopt new technologies for industrial processes





















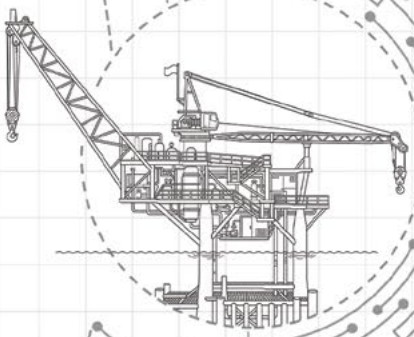
L&T's natural capital strategy reflects a series of such leaps: from efficiency to stewardship, from compliance to leadership, and from incremental change to long-term transformation.

MANUFACTURED CAPITAL

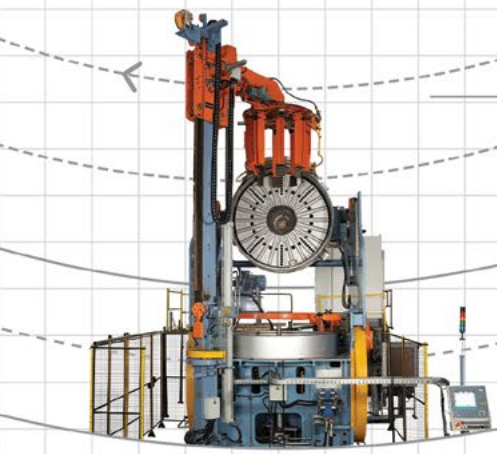
Manufactured Capital represents the physical assets, engineered systems, and project delivery capabilities through which L&T creates long term value for customers, society and stakeholders. The Company continues to address the diverse needs of the global infrastructure and industrial sectors through its robust EPC expertise and Hi Tech Manufacturing capabilities.

With decades of deep domain knowledge, strong in house engineering competencies, rigorous execution processes and the adoption of cutting edge digital technologies, L&T delivers large, complex and mission critical projects with high standards of quality, safety, and sustainability. The Company's value creation approach is guided by resource efficiency, continuous improvement, disciplined cost management and innovation. Together, these pillars allow L&T not just to undertake bold projects, but to sustain the momentum of each leap across the full life-cycle of assets and infrastructure.

Looking ahead, L&T remains focused on strengthening its core engineering competencies, enhancing project delivery through technology and digitalisation, and expanding its presence in emerging business segments aligned with global sustainability and energy transition imperatives.







Key Highlights of FY 2025-26

630
Active EPC project sites

22
Manufacturing facilities

~₹ 78,700 Cr
Green business revenue

Strategy Linkage[1]

SO-I | SO-III | SO-V

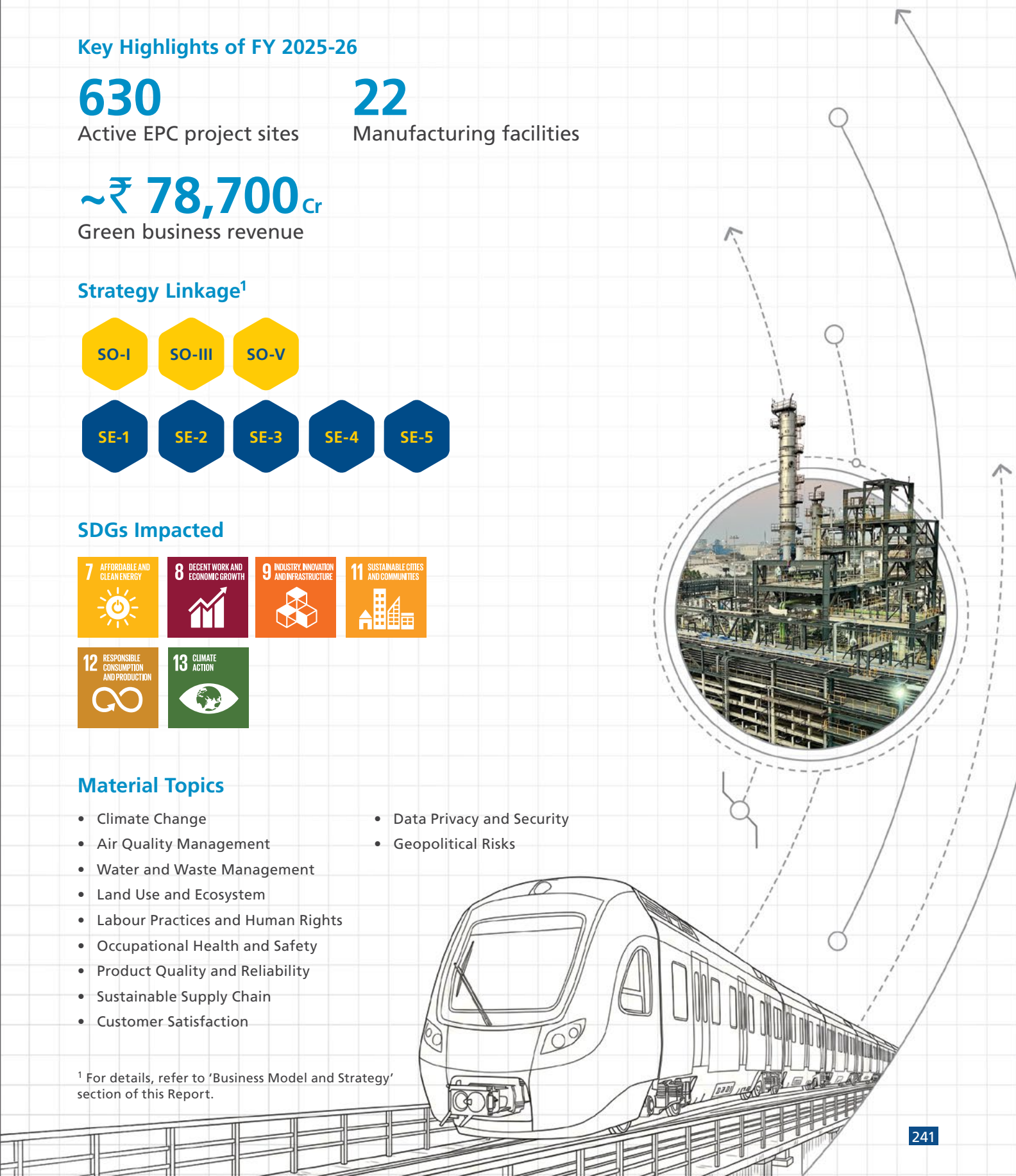
SE-1 | SE-2 | SE-3 | SE-4 | SE-5

SDGs Impacted

Material Topics

- Climate Change
- Air Quality Management
- Water and Waste Management
- Land Use and Ecosystem
- Labour Practices and Human Rights
- Occupational Health and Safety
- Product Quality and Reliability
- Sustainable Supply Chain
- Customer Satisfaction
- Data Privacy and Security
- Geopolitical Risks

[1] For details, refer to 'Business Model and Strategy' section of this Report.



EPC Projects

L&T has built industry leading capabilities in delivering EPC projects of global scale, sophistication and complexity. Its end to end competencies from concept design to commissioning enable the delivery of critical infrastructure across sectors such as transportation, energy, water, metals, digital and social infrastructure.

Strong in house engineering design centres, dedicated competency hubs and specialised training facilities provide the foundation for L&T's ability to conceptualise, design, execute and maintain complex EPC projects.

A snapshot of key offerings across the Company's businesses is presented below:

Buildings & Factories



Residential buildings, office buildings and commercial spaces, data centers, factories, warehouses, airports, hospitals, educational campuses and public spaces, e.g., stadiums

Transportation Infrastructure



Expressways, specialised bridges (both road and rail), elevated corridors, runways, railway lines, mass urban transit systems

Heavy Civil Infrastructure



High-speed rail, mass transit systems, nuclear power plants, hydroelectric power plants, tunnels, ports, marine structures and specialised structures

Power Transmission & Distribution



Transmission lines, substations, distribution networks, grid improvement systems, electrification systems, and digital solutions for power systems

Renewables



GW-scale Solar PV, Energy Storage, Microgrids and Hybrid Renewable Projects

Water & Effluent Treatment



Water treatment plants, water distribution networks, wastewater treatment plants and collection networks, desalination, irrigation, industrial effluent treatment and water systems management/monitoring

Minerals & Metals



EPC projects from mineral processing to finished metals for ferrous and non-ferrous industries, solutions and specialised equipment for various core sector industries

L&T Energy Hydrocarbon - Onshore



Large and complex EPC projects related to mid and downstream oil & gas processing, pipelines, storage tanks & terminals and coal/pet-coke gasification

L&T Energy Hydrocarbon - Offshore



Large and complex EPC projects related to oil & gas extraction and upstream oil & gas processing

L&T Energy Hydrocarbon - Offshore Wind



Fixed and floating wind turbine generator foundations, HVAC/HVDC substations for wind farms

L&T Energy – CarbonLite Solutions



EPC projects related to thermal power, gas-to-power, carbon capture and low-carbon solutions for power plants

Hi-Tech Manufacturing

L&T operates globally recognised, engineered-to-order manufacturing facilities that supply high precision and large scale equipment for sectors including oil & gas, petrochemicals, nuclear energy, space, fertilisers, and other strategic industries.

A snapshot of key facilities is given here:

A. M. Naik Heavy Engineering Complex, Hazira, Gujarat



World-class manufacturing complex catering to critical, large sized ultra-heavy equipment for refineries, oil & gas, fertiliser, petrochemicals, nuclear power plants and modular fabrication of offshore and onshore packages and modules for the oil & gas sector

Modular Fabrication Facility, Kattupalli, Tamil Nadu



Strategically located, state-of-the-art, all-weather waterfront facility for large scale fabrication of offshore and onshore packages or modules in the oil & gas and offshore wind farms

Shipbuilding Facility, Kattupalli, Tamil Nadu



Globally recognised, state-of-the-art, manufacturing facility for construction and repair of ships and marine vessels

Strategic Systems Complex, Talegaon, Maharashtra



Facility for prototyping, manufacturing and testing of bridging systems, radar systems and propulsion shafting

Manufacturing Facilities, Kancheepuram, Tamil Nadu



Various manufacturing facilities are in Kancheepuram (~70 km from Chennai) which manufacture power transmission line towers, engineered systems for mining, cement, construction, steel, ports, and other core industries, and processing machinery for tyre and rubber industry. A globally accredited Transmission Tower Testing and Research Station is also located at Kancheepuram.

The Company has other manufacturing units in Pithampur (near Indore, Madhya Pradesh), Kansbahal (near Rourkela, Odisha), Ranoli (near Vadodara, Gujarat) and Coimbatore (Tamil Nadu).

A detailed description of the business capabilities, recent achievements and sector outlook is covered in 'Management Discussion and Analysis' section of this Report.

Green Business

L&T's sustainability vision 'For a Better World' is reflected in two Strategic Objectives which guide the growth of the Company's businesses:

SO-III Developing business offerings to harness opportunities emerging from the global Energy Transition

SO-V Enabling long-term business sustainability with a strong emphasis on ESG principles and shareholder value creation

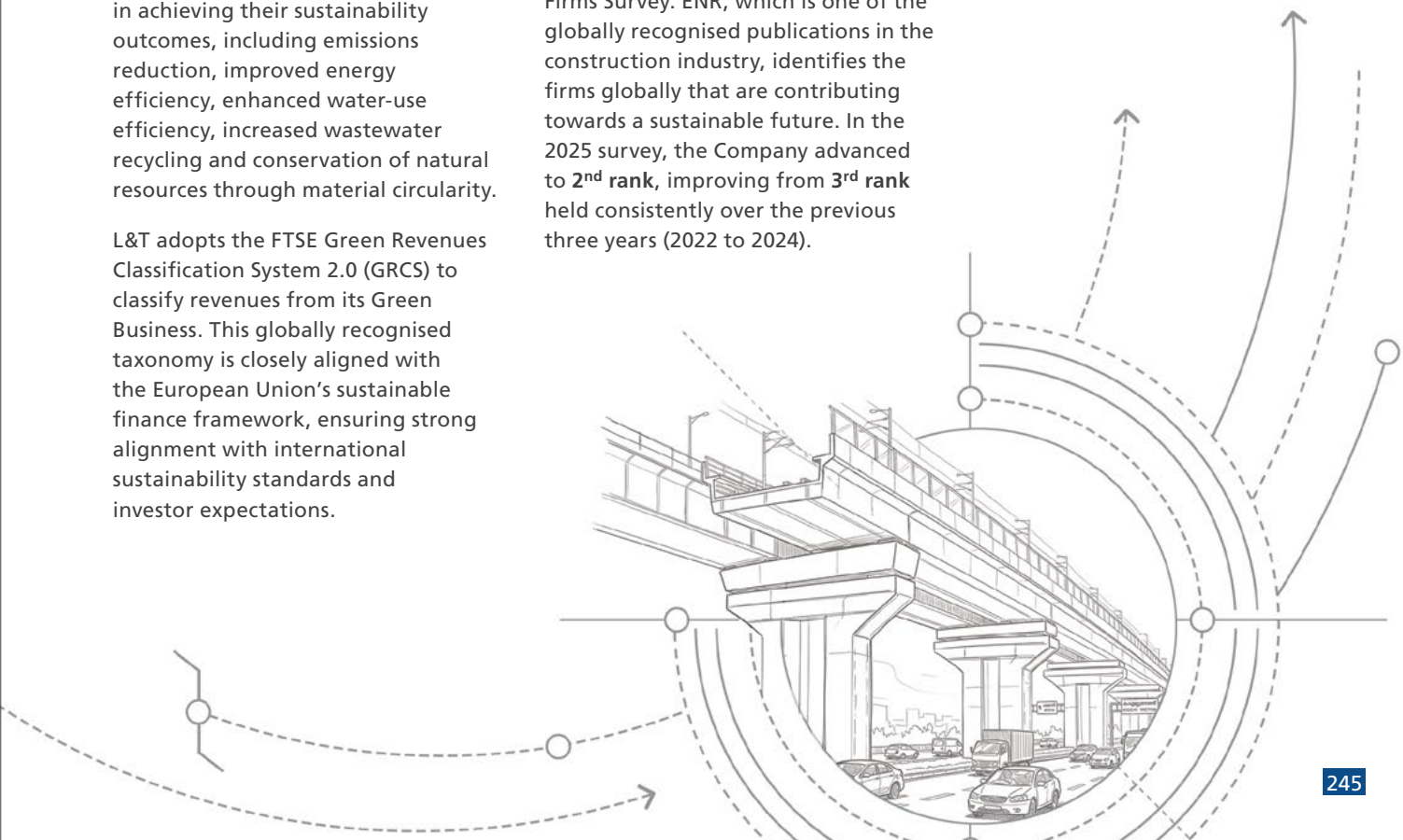
The Company's 'Green Business' portfolio is driven by these objectives, with offerings centred around clean energy, clean mobility, water and sanitation, green infrastructure, and other emerging domains that support a low-carbon and resource-efficient future. L&T continues to expand this portfolio by strengthening capabilities and enhancing solutions that address critical sustainability challenges. Through these offerings, the Company supports its customers in achieving their sustainability outcomes, including emissions reduction, improved energy efficiency, enhanced water-use efficiency, increased wastewater recycling and conservation of natural resources through material circularity.

L&T adopts the FTSE Green Revenues Classification System 2.0 (GRCS) to classify revenues from its Green Business. This globally recognised taxonomy is closely aligned with the European Union's sustainable finance framework, ensuring strong alignment with international sustainability standards and investor expectations.

Revenue from Green Business constituted **51% (~₹ 78,700 crore)** of the Company's total revenue. In FY 2024-25, the contribution was at 53%. Reflecting its continued focus on sustainable growth, the Company had set a target of increasing this contribution to 55%.

L&T's leadership in sustainability is further reinforced by its global recognition in the Engineering News-Record (ENR) Top 200 Environmental Firms Survey. ENR, which is one of the globally recognised publications in the construction industry, identifies the firms globally that are contributing towards a sustainable future. In the 2025 survey, the Company advanced to **2nd rank**, improving from **3rd rank** held consistently over the previous three years (2022 to 2024).

The Company has also undertaken an impact assessment of its Green Business portfolio, based on a third-party model developed in 2023. The assessment indicates that assets (energy, infrastructure) commissioned in FY 2023-24 and FY 2024-25 would help avoid emissions to the tune of approximately **5.7 million tCO_2e annually**, with most contributions arising from renewable and nuclear energy assets.



Clean Mobility

Mass Transit Systems (Metro Rail, Light Rail Transit)

High-Speed Rail, Semi-High-Speed Rail

Conventional Railway

Water & Sanitation

Water Supply Network

Irrigation Systems

Water, Wastewater, Effluent Treatment Plants

Wastewater Collection Network

Clean Energy

Renewable Energy - Solar, Hydel Power Plant

Nuclear Power Plant

Green Infrastructure

Green Buildings

Others

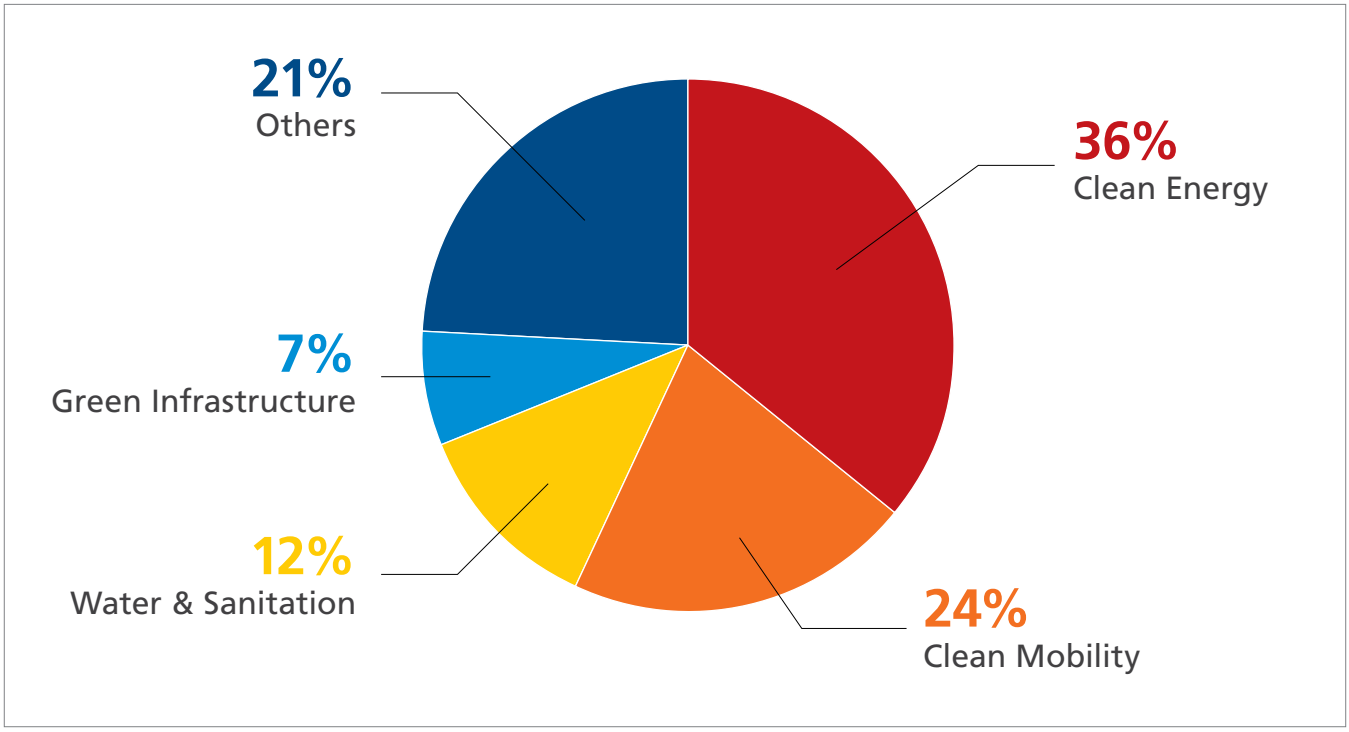
Efficient Power Transmission & Distribution Systems

Process Equipment for Biodiesel/ Clean Fuels

Equipment for resource efficiency in industrial applications

Equipment for managing air pollution

Category-wise breakup of Green Business



The Company's Green Business offerings are anchored in two strategies to address climate change impacts.

Strategy	Offerings
Climate Change Mitigation Efforts to reduce emissions and enhance carbon sinks	Renewable Energy Plants, Nuclear Energy Plants, Mass Transit Systems, Railway Networks, Efficient Power Transmission & Distribution Systems, and Process Equipment for Clean Fuels
Climate Change Adaptation Changes in processes, practices and structures to moderate potential damages or to benefit from opportunities associated with climate change	Water and Sanitation Infrastructure, Green Buildings, and Equipment for resource efficiency

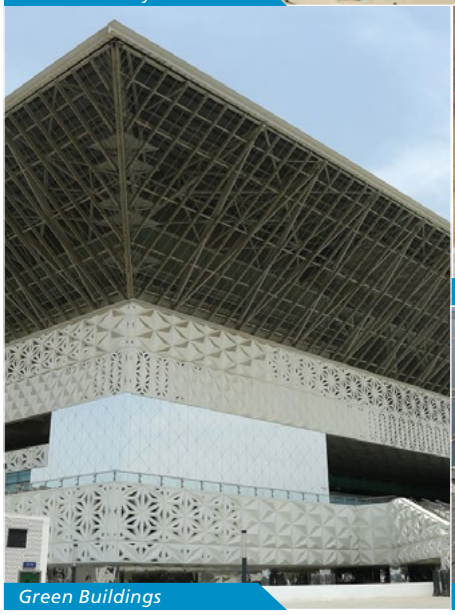
Snapshot of the Company's Green Business offerings


Hydel Power Plants

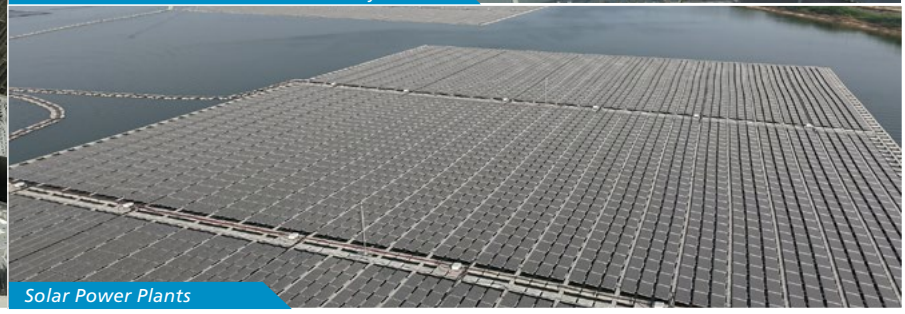

Water Treatment Plants


Mass Transit System


Railways


Green Buildings


Power Transmission and Distribution Systems


Solar Power Plants

HUMAN CAPITAL



Every great story begins with a leap. At L&T, that leap is taken everyday with the people. L&T's human capital strategy is intrinsically aligned with its transformation agenda, recognising that every defining moment of progress, whether in engineering excellence, digital leadership or ESG stewardship, begins with people choosing to step forward.

The Company's approach to human capital embeds sustainability principles across its workforce practices, ensuring coherence with its commitment to responsible and technology-led growth. The Company is committed to fostering a safe, inclusive and high performance-oriented work environment that enables talent to thrive, places employee well-being at the forefront and promotes a culture of continuous learning of the workforce.





Key Highlights of FY 2025-26

1,431
Women in Management

8.6
Training Days per Employee

7.4 Mn
Safety Training Hours

34 Years
Median Age of Employees

Strategy linkage[1]

SO-I | SO-II | SO-III | SO-IV | SO-V

SE-2 | SE-4

SDGs Impacted



Material Topics

- Labour Practices and Human Rights
- Talent Management and Workforce Engagement
- Diversity, Equity & Inclusion
- Occupational Health and Safety

[1] For details, refer to the 'Business Model and Strategy' section of this Report.



Our People: Enablers of Innovation and Sustainable Value Creation

The Human Capital framework is anchored in five strategic pillars which are aligned with L&T's long-term roadmap:

- Performance-driven growth with purpose and accountability
- Future-focused learning and digital capability building
- Scalable talent development for emerging business opportunities
- Diversity, equity and an inclusive culture
- Holistic well-being and workforce resilience

Continued investment in people, leadership development and critical skills remains central to business performance and long-term value creation. Through sustained investment in people, leadership pipelines, and future-ready capabilities, human capital development remains a key enabler of long-term business resilience, sustained performance and stakeholder value creation.

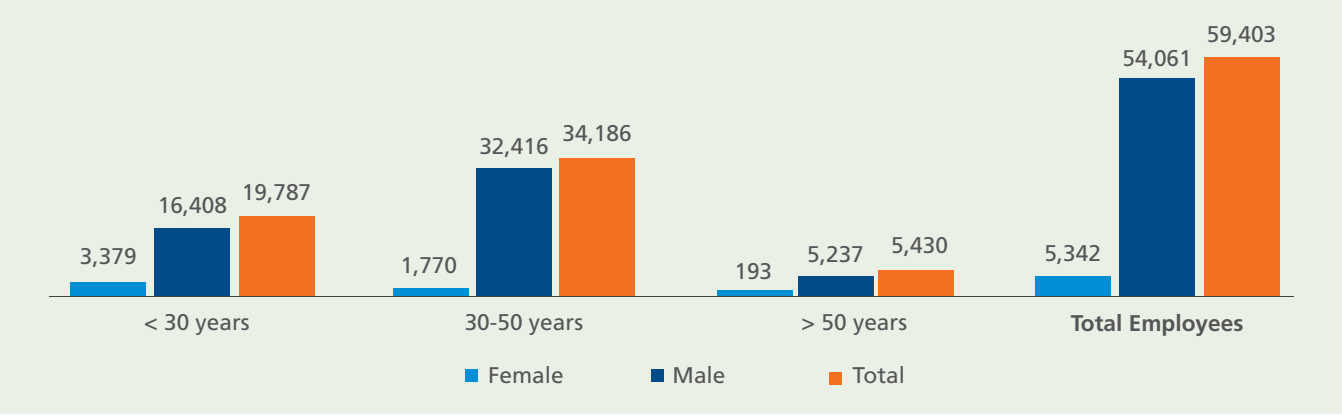


Oversight

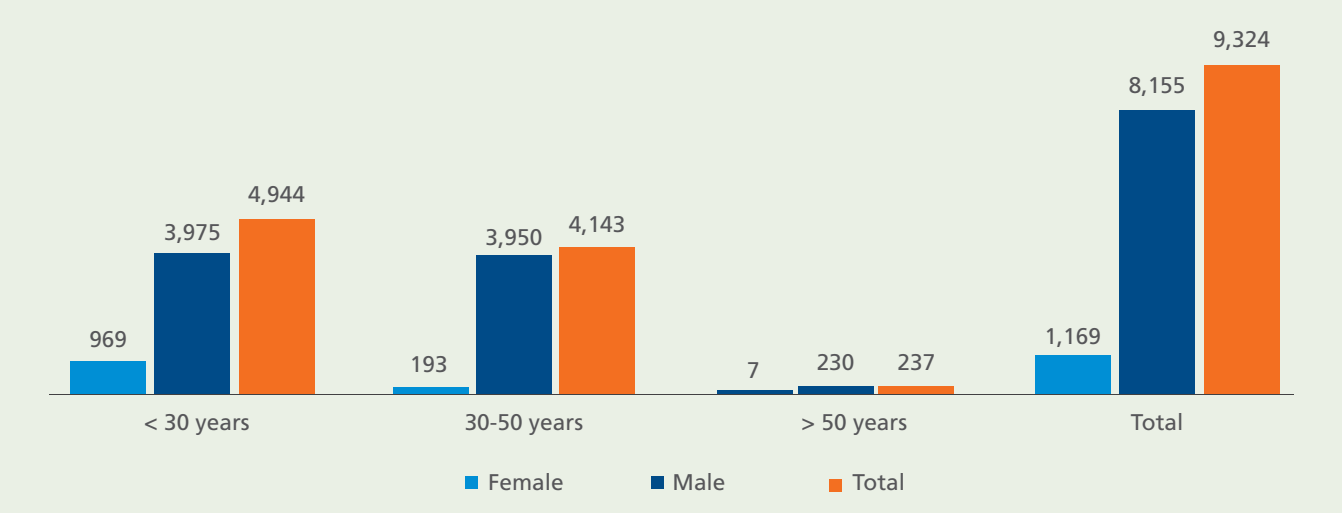
Oversight of the HR function is provided by the HR Steering Committee, which guides the Human Resource Council Committee (HRCC) in driving business-aligned HR priorities, including talent retention, recruitment, learning and development, skilling, leadership development and specialised capabilities.

Employee Profile and Composition

Age- and gender-wise distribution



New joiners: Age- and gender-wise distribution



Talent Acquisition and Employer Brand

Talent Acquisition

Every great story begins at the start. For L&T, that beginning lies in attracting individuals ready to take their first professional leap. During FY 2025–26, L&T continued to strengthen its talent pipeline through its Young Professional Talent Acquisition initiatives, recruitment and onboarding of 2,200 Graduate and Postgraduate Engineering Trainees (GETs/PGETs) across businesses. These recruits were sourced from premier institutions and leading government engineering colleges ensuring high quality technical talent. In addition, the Company onboarded more than 1,100 young professionals across diverse roles, including MBA graduates, Chartered Accountants, Cost Accountants, Diploma Engineers and other trainee cadres.

Campus Engagement

L&T's campus outreach spanned over 260 institutions, strengthening engagement with top engineering and management institutes across the country. All GETs, PGETs and Management Trainees are offered positions with the Company and inducted through **GRACE (Get Ready for an Awesome Career in Engineering)**, the Company's flagship campus-to-corporate transition programme. Designed as a structured pre- onboarding journey, GRACE is delivered through a blend of online and offline modules incorporating gamified learning elements, enabling candidates to familiarise themselves with L&T's culture, values and business. By engaging candidates prior to their formal joining, the programme supports a smooth transition and enables new hires to commence their roles better informed, connected and prepared from day one.

In parallel, L&T has institutionalised **MPower**, a structured 12-month mentoring programme for engineering graduates. Through regular mentor mentee engagements focused on self awareness, career planning and leadership development, MPower bridges technical expertise with managerial capability. The programme follows a defined developmental framework encompassing psychometric assessments, Individual Development Plans (IDPs) and periodic progress reviews, supported through a dedicated digital mentoring platform.

Global Internship Programme

During the year, L&T achieved a significant milestone in its global talent outreach with the launch of the Group's **Global Internship Programme (GIP)**. The inaugural cohort comprised interns from leading Ivy League institutions representing diverse nationalities.

Interns worked on live projects across areas such as digital transformation, AI, sustainability, semiconductor engineering and advanced technologies. These projects were undertaken across locations including Bengaluru, Hazira (Surat) and the United States, providing exposure to real business environments.

The programme supports cross-cultural collaboration and helps position L&T as an attractive destination for global talent.







Talent Competitions and Campus Platforms

L&T continued to strengthen campus engagement through flagship case competitions that combine employer branding with early talent identification.

CreaTech, the Company's technology case competition for engineering students, attracted over 14,500 participants from more than 220 institutions. Following an initial technical screening, 450 teams worked on live engineering challenges drawn from L&T's businesses, covering themes such as sustainable port infrastructure, AI-led project execution and precast construction innovations. The top eight teams showcased their solutions which were assessed against parameters such as innovation, scalability, feasibility of implementation and potential industry impact. The competition provided students with exposure to real-world problems while enabling L&T to identify high-potential talent and gather innovative ideas relevant to its project ecosystem.

OutThink, the national business case competition for management institutes, witnessed participation from over 6,700 students across 2,200+ teams from 34 leading B-schools. Participants worked on live business challenges aligned with L&T's growth priorities, including competitive strategy, expansion of new technology businesses and manufacturing opportunities.

Together, these platforms expanded L&T's reach across 260+ institutions, strengthened industry–academia engagement. These initiatives further enhanced L&T's visibility and positioning as an employer of high-potential choice among India's emerging engineering and management talent, while reinforcing its focus on innovation led, future ready capability building.

Strategic Employer Branding

L&T's employer branding efforts focus on sustained campus engagement, leadership visibility and industry–academia collaboration.

The Company partnered in *IIT Bombay Techfest*, one of Asia's largest technology festivals which saw a footfall of around 2.2 lakh participants. L&T also partnered in *IIT Madras Shaastra 2026* and engaged directly with students through leadership interactions. The event recorded a footfall of approximately 40,000 participants.

L&T's employer branding initiatives are anchored in sustained campus presence, executive thought leadership, and meaningful industry–academia collaborations.

Industry-Academia Engagement

L&T continues to engage with academic institutions through guest lectures, technical collaborations, sponsorships, and pre-placement interactions to strengthen industry readiness among students. During the year, an Industry–Academia Interaction at NICMAR University, Pune, where senior management shared insights on the Company's growth strategy, digital transformation initiatives and career opportunities across the Group. The session also covered industry trends and skill requirements in large-scale engineering and infrastructure projects. These engagements support alignment between academic learning and industry requirements while contributing to future talent development.







Talent Management

Talent Identification

L&T's Performance Management System enables differentiation, recognition, and reward of talent, and is integrated with career development and succession planning to support leadership continuity. High-potential employees are identified and developed through Development Centres (DC) and the Technology Leadership Programme (TLP), which provide structured assessment of strengths and development areas.

In FY 2025–26, over 2,000 employees were assessed through DC and IDPs were developed to support personalised career progression.

Talent Review

The Talent Council, comprising business heads, HR heads and senior executives, oversees the identification and development of future leaders. Through structured talent reviews, the Council defines IDP based on assessed strengths and development areas, supported by interventions such as cross-functional assignments, training programmes, leadership shadowing and coaching.

The Talent Review Process has been further enhanced to improve visibility of critical talent across business units. It is led by the Talent Council and supported by a dedicated talent review software module that streamlines review cycles and documentation.

FAIR Process - Framework for linking Appraisals with Incentives and Rewards

L&T's performance management philosophy is anchored in a high-performance culture based on meritocracy, entrepreneurship, teamwork, and continuous learning and development. The Performance Management System links performance outcomes with incentives and rewards. The system is based on the following key processes:

- Performance planning
- SMART goals: setting and cascading
- Continuous review, monitoring, feedback and coaching
- Focus on learning, development and growth
- Fair and objective performance assessment

This structured approach ensures alignment between individual performance and organisational objectives.

HR Excellence

The 6th edition of the **Annual HR Awards (AHA) 2025** recognised excellence and innovation across key HR domains, with 185 applications evaluated through a rigorous RADAR-based assessment process involving external CII assessors and senior leaders.

L&T HR Conclave 2026 brought together senior leaders, industry experts, and HR practitioners to discuss building a future-ready organisation, with sessions focused on leadership, AI-led transformation, and culture-driven performance.

Instituted in 2009, L&T's **HR Excellence Model (HREM)** completed its 14th assessment cycle with participation from 16 business HR teams, assessed by external and internal CII-certified assessors through a structured evaluation process.







ESG Linkage to Performance and KPIs

The Company recognises that long-term value creation is closely linked to ESG performance. Accordingly, ESG parameters are translated into measurable KPIs; which are then embedded within the performance managementsystem within both business-level and individual performance scorecards. These include, inter alia, energy and water intensity, greenhouse gas (GHG) emissions, diesel consumption reduction, renewable energy usage, occupational health and safety performance, diversity and inclusion, community development and regulatory compliance.

At the operational level, ESG related KPIs are incorporated into business/unit and project-level performance metrics and are subject to periodic monitoring. The business-level performance indicators are reviewed quarterly and individual KRAs are reviewed twice a year. Performance against KPIs is factored into annual performance appraisals and variable remuneration outcomes, establishing a direct linkage between sustainability performance and employee incentives.

Environmental performance indicators carry a weightage of 20% in the evaluation process for promotions to senior-level positions and are linked to performance outcomes. This ensures that ESG performance, particularly environmental parameters, is factored into both career progression and pay, reinforcing leadership accountability for sustainability outcomes.

In the context of occupational health and safety, the Company has operationalised a structured Reward and Penalty mechanism for select EPC businesses. Under this framework, predefined EHS performance targets are linked to financial incentives and disincentives at the business unit level. Performance against these targets has a direct bearing on performance-linked pay outcomes for employees within the respective units, thereby strengthening accountability and oversight for safety performance.

Through the systematic integration of ESG KPIs into governance, performance evaluation and remuneration processes, the Company seeks to ensure that sustainability considerations are embedded in decision-making and contribute to risk mitigation, operational efficiency, and long-term stakeholder value creation.

Learning and Leadership Development

Learning & Development has been central to this approach helping nurture talent from within, ensuring leadership continuity and aligning workforce capabilities with evolving business needs. This sustained focus enables L&T to deliver complex engineering and EPC projects at scale, while maintaining its position as a trusted leader.

Reinventing Capability for an AI-Shaped Decade

Learning & Development is a strategic enabler by strengthening leadership depth, improving execution predictability and accelerating capability building. The focus is on enabling faster, better decision-making, disciplined execution across complex projects, and responsible adoption of digital and AI tools to enhance productivity and quality. This approach ensures that L&T sustains its legacy of learning while driving resilience and performance.enhancing planning accuracy and execution efficiency.

L&D architecture: Three Leadership Archetypes

To ensure a consistent and scalable approach across businesses, L&T's capability framework is anchored in three enterprise archetypes: *Business Leadership, Project Leadership and Technical Leadership*. Together, these form the organisation's core growth engine and the primary pathways for developing leaders and specialists.

L&T Leadership Archetypes



- 7-Step Leadership Development
- ASCENT Competency Development
- Women Leadership WINSPIRE
- People Leadership Management Development Programme

- Project Director Academy-4 Step PLDP
- SCDM
- Case Centre
- PM conclave
- Knowledge@work
- Professor of Practice

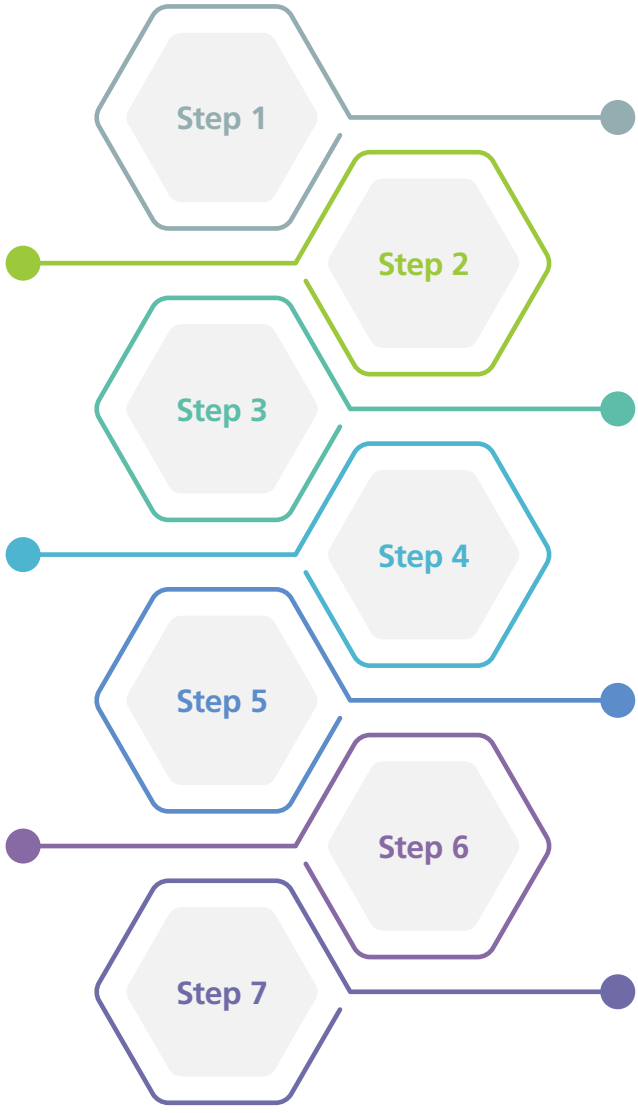
- Young Talent Development
- Prayag - Fresher Training
- Level 1,2,3 Technical Development Programme
- CADFest
- Virtual Technical Summit
- Technology Conclave

- BIM
- Safety
- Railway Competency Development
- Tunneling
- Construction Vacational Training

Business Leadership: Building strategic and people-centric leaders

Business Leadership focuses on developing leaders who can set direction, allocate resources effectively, and lead across diverse businesses in a dynamic environment. L&T's multi-level leadership pipeline builds capability across early, mid, and senior cohorts, supported by academic partnerships and practitioner-led learning. Mentoring and coaching interventions further strengthen leadership readiness across the pipeline.

The Company's structured **7-step leadership development journey** ensures systematic progression of high-potential leaders:



ASCENT Series: Building Leadership Capability at Scale

The ASCENT Series is a core part of L&T's leadership development architecture, designed to build capability across levels. It strengthens strategic thinking, execution and people leadership among high-performing talent. Anchored in the Think–Act–Engage framework and delivered through a blended approach with leading academic partners, it bridges the gap between performance and potential,creating a strong pipeline of future-ready leaders.

Management Development Programmes (MDP)

MDPs strengthen functional management capability and support sustained competitiveness. Complementing the leadership pipeline and ASCENT series, MDPs are aligned to evolving business needs. Delivered with leading B-schools, these one-week programmes at the Leadership Development Academy (LDA), Lonavala, combine classroom learning, case discussions, practitioner insights and pre- and post-programme work to build managerial depth and reinforce professional excellence.

1,200 managers trained during the year

People Leadership

A key focus is strengthening people leadership-enabling managers to build trust, drive performance, and develop talent. The People Leadership Excellence Framework defines core behaviour, supported by multi-rater feedback and AI-enabled insights for targeted development. An AI-based 270-degree feedback report further provides managers with a clear view of strengths and gaps, helping shape focused development plans.

Women Leadership Development: WINSPIRE

The WINSPIRE series provides targeted development across career stages. Anchored in four pillars - Induct, Engage, Develop and Enable, it creates an integrated ecosystem for advancement.

WINSPIRE follows a cohort-based approach with customised interventions for early and mid-career professionals. The programmes focus on self-leadership, stakeholder engagement, communication and leadership presence to support progression as roles grow in complexity. At the early-career stage, **WINSPIRE – Building a Growth Mindset** focuses on resilience, overcoming biases and building confidence. For mid-career professionals, **WINSPIRE RISE** strengthens influence and leadership identity, while **WINSPIRE PROPEL** supports progression through senior stakeholder engagement and personalised development.

~100 women trained this year and **900+** since inception





Project Leadership: Developing directors for mega, multi-disciplinary delivery

Project leadership is core to L&T's EPC and infrastructure businesses, where outcomes depend on planning, risk management, stakeholder alignment, and disciplined execution. The L&T Institute of Project Management (IPM) anchors capability building through structured programmes, knowledge sharing, and institutional partnerships. These interventions strengthen planning, controls, contracts, and delivery governance, building a common knowledge base and improving project predictability.

Project Director Academy (PDA): A Strategic Response to Rising Complexity

A pioneering enterprise-wide leadership development initiative, the Project Directors' Academy (PDA) is designed to build a sustainable pipeline of future-ready Project Directors. The Academy integrates technical expertise, project execution, commercial acumen, and leadership capability into a structured long-term development journey.

PDA follows a five-level framework (L0–L4) aligned to career stages and leadership readiness, combining classroom learning, international academic partnerships, professional certifications, mentoring, site immersion, and on-the-job learning. The framework is based on the globally recognised 70–20–10 learning model. Developed using global best practices and partnerships with leading academic institutions and professional bodies, PDA enables participants to earn internationally recognised certifications such as PMI-PMP, PMI-CP, PMI-RMP, AACE-CCP, and PMI-PgMP.

The Academy caters to employees across career stages, from early-career professionals to senior project leaders. L0 and L1 programs have been successfully launched across multiple businesses and geographies, while L2 is being rolled out. Advanced levels L3 and L4 are under development, focusing on enterprise-scale leadership, governance, risk stewardship, and succession readiness. Through PDA, L&T is institutionalising project leadership excellence, strengthening execution capability, and building a robust future leadership pipeline.

Enterprise-Wide Capability Building for Project Execution Excellence

L&T IPM plays a key role in strengthening project execution capability by building expertise in planning, controls, and delivery leadership. Through the Essentials of Project Planning and Control (EPPC) programme, IPM has upskilled execution and planning engineers, improving discipline in planning, monitoring, and project control.

This is complemented by the L&T Body of Knowledge (BoK), which captures learnings from large domestic and international projects through integrated case studies spanning planning, risk management, contracts, finance, stakeholder management, HSE, and interface management.

IPM's capability-building efforts are further reinforced through its recognition as an Authorised Training Partner of the Project Management Institute (PMI), USA, and collaborations with leading global and Indian institutions in project leadership development.





Technical Leadership: Scaling engineering depth and execution productivity

Technical Leadership builds the specialist depth and site-ready capability required for execution excellence. The Corporate Technology & Engineering Academy (CTEA) functions as L&T's technical capability engine delivering hands-on, role-based learning through well-equipped labs and applied learning environments. Since its inception, CTEA has evolved from a limited, business specific training centre into a comprehensive technical academy with wide reach across businesses and project environments. This evolution reflects L&T's sustained focus on strengthening technical depth as a strategic enabler of execution excellence.

Precast Technology Lab (CTEA Mysore): enabling speed, standardisation and safety by design

To meet rising expectations of speed and productivity in infrastructure delivery, L&T strengthened industrialised construction capability through the Precast Technology Lab at CTEA, Mysore. The lab offers immersive, end-to-end exposure to precast systems—from design and planning to casting, quality checks, and on-site erection—within a controlled, yard-like environment. This hands-on approach enhances execution readiness by improving understanding of sequencing, interfaces, and constructability, while embedding quality and safety early.

Key outcomes include faster cycle times, consistent quality through standardisation, improved safety by shifting high-risk activities to controlled settings, and stronger integration across design, manufacturing, and site teams. CTEA supports this through a structured, multi-level capability frameworkcovering induction, supervisor development, safety certifications, and specialised technical programmes—anchored in hands-on learning aligned to site realities.

Building Job-Ready Talent and Supervisory Capability

CTEA enhances job readiness of early-career engineers through structured foundation programmes for PGETs, GETs and DETs (Diploma Engineering Trainees). These programmes cover core engineering, site practices, safety, quality systems, and operational procedures—bridging the gap between academic learning and on-site execution.

The academy also drives Front Line Supervisor (FLS) development, preparing skilled personnel to manage teams, quality, safety, and productivity. Combining classroom learning with practical exercises, the programme builds supervisory capability across construction disciplines, EHS, MEP, finishing works, and quality management.

Certifications and Specialised Competency Development

Safety and operational excellence are reinforced through internationally recognised Health, Safety and Environment (HSE) certification programmes conducted at CTEA. These include globally benchmarked certifications of NEBOSH, UK and focused modules on incident investigation, strengthening site level capability to manage health, safety, and risk across complex project environments. In addition, CTEA conducts targeted competency development programmes in priority technical areas, combining conceptual learning with scenario based exercises and simulated incident studies. This approach enhances practical application and decision making, reinforcing technical discipline, risk awareness, and execution reliability at the site level.

Education-led Capability Building for Long Term Growth

Investing in long term, work aligned education is a key pillar of L&T's approach to developing young talent and building deep, future ready capability. These education programmes are designed to simultaneously address the Company's long term skill requirements and the personal aspirations of employees in the early stages of their careers. Through sustained partnerships with leading national institutions, L&T enables employees to pursue higher education while continuing to contribute meaningfully to business outcomes.

Technical and Engineering Education Pathways

L&T offers structured higher education opportunities for engineers and diploma holders through reputed institutions. The Build India Scholarship supports young engineers in pursuing M.Tech. in Construction Technology & Management, delivered in partnership with IIT Madras, IIT Delhi, NIT Trichy, and NIT Surathkal. Complementing this, capability building pathways for diploma engineers have been established through collaborations with Nirma University, KIIT University, VIT University, and Lovely Professional University.

In addition, employees can deepen technical expertise through work integrated programmes, including B.Tech. programme through BITS Pilani, M.Tech. programme through the Defence Institute of Advanced Technology (DIAT), Pune, and the Certificate Course in Industrial Safety through SBTET, Andhra Pradesh. These programmes allow participants to combine academic rigor with on the job application in live project environments.

Project Management and Management Education

Recognising project management as a critical enterprise capability, L&T has partnered with NICMAR University, Pune, to offer an Executive MBA in Infrastructure and Construction Management, strengthening leadership readiness for complex project environments. Management capability is further enhanced through programmes delivered in collaboration with premier institutions such as IIM Ahmedabad, S P Jain Institute of Management & Research, and IFMR Krea University. These programmes build strategic, managerial, and leadership depth among high potential employees, preparing them for roles of higher responsibility.

These education partnerships build a strong pipeline of technically skilled and managerially capable talent. By enabling employees to pursue recognised qualifications while working, L&T reinforces its focus on internal development, long-term capability building, and sustained performance.

Learning & Development Infrastructure

Leadership Development Academy (LDA), Lonavala serves as L&T's flagship residential leadership learning hub. Designed to enable immersive leadership and management development, LDA provides a learning environment that supports reflection, peer learning, and leadership transformation.

Institute of Project Management (IPM) is the centre of excellence for building project leadership and execution capability. IPM anchors enterprise wide learning in project planning, controls, delivery governance, and leadership, supported by a strong faculty ecosystem that blends full time academics with experienced practitioners.

Corporate Technology & Engineering Academy (CTEA) develops technical and functional capability critical to execution excellence. Through structured, hands on learning across engineering disciplines, supervisory roles, certifications, and specialised competencies, CTEA strengthens job readiness, technical depth, and site level reliability.

Engineering Academy provides a focused platform for engaging technical experts and high potential engineers, enabling them to deepen domain expertise and progress along specialist career paths. It supports advanced capability building across core engineering disciplines, facilitates structured exposure for postgraduate engineers from premier institutions, and enables expert development through targeted, domain specific programmes—reinforcing technical excellence as a critical organisational asset.

Safety Innovation School (SIS) underpins L&T's commitment to building a strong and proactive safety culture aligned with global standards. Through a combination of certification programmes, experiential learning, and technology enabled simulations, SIS strengthens Environment, Health and Safety (EHS) capability across engineers, supervisors, and the contract workforce—embedding safety as a core execution discipline.

Specialised Domain Focused Academies

Complementing the central capability institutions, L&T has established specialised academies to build deep expertise in domains where projects demand highly specific knowledge, systems, and standards. These academies focus on advanced engineering, digital, and infrastructure specific capabilities critical to L&T's diverse operations.

L&T BIM Academy in Chennai develops enterprise capability in digital engineering and Building Information Modelling (BIM), enabling integrated design coordination, digital construction simulation, and lifecycle asset management. By strengthening proficiency in model based planning, cost integration, and cross disciplinary coordination, the academy supports improved constructability, reduced rework, and more predictable project delivery.

L&T Competency Development Centre (CDC) at Kancheepuram builds specialist capability in rail and metro infrastructure systems, including track engineering, electrification, signalling, communications, and advanced metro technologies. It supports the development of engineers equipped to meet stringent safety, regulatory, and technical standards essential to rail projects in India and overseas.

L&T Tunnelling Excellence Academy at Kancheepuram functions as a centre of excellence for underground construction, addressing the growing reliance on subterranean infrastructure in urban and hydro projects. The academy develops capability across geotechnical engineering, tunnelling technologies, safety, risk management, and construction logistics—supporting complex underground works where precision and expertise are critical.

L&T Power Training Institute at Vadodara builds end to end capability across power generation systems, spanning design, engineering, erection, commissioning, and operations. By integrating design knowledge with field execution exposure, the institute supports power project delivery, equipment manufacturing, and operational optimisation across the power lifecycle.

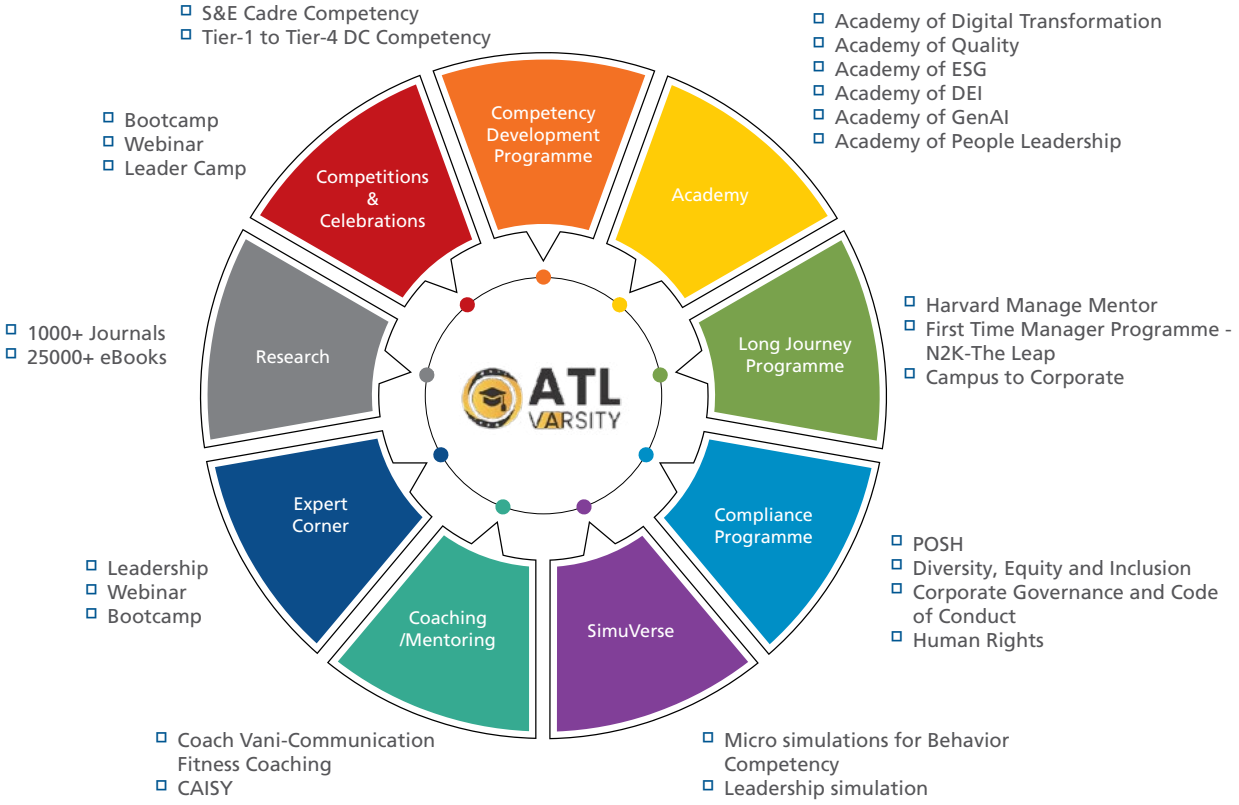
L&T's central institutions and specialised academies together form a cohesive, purpose-built L&D ecosystem. This enables leadership depth, execution discipline, technical capability, and safety focus while remaining agile to evolving technologies, market demands, and project complexity. It reflects L&T's belief that sustained performance is driven by institutionalised capability building aligned with business needs.

Digital learning at scale: ATL Varsity as the enterprise backbone

ATL Varsity, L&T's enterprise-wide online learning platform, serves as a strategic enabler in building future-ready capabilities across the organisation. Designed as a fully AI-curated learning academy, it offers a comprehensive portfolio of self-paced learning programmes spanning technical, functional and behavioural domains. The platform integrates robust in-house content with curated offerings from globally recognised learning ecosystems such as Coursera, Skillsoft, Harvard ManageMentor, SuccessFactors LMS, EBSCO, Skills Cafe and Coach Vani. Special learning journeys are being developed with L&T EduTech and integrated into ATLVarsity, to embed AI capability across the organisation.

To build enterprise-wide awareness and responsible adoption of emerging technologies, the ATL Varsity launched a focussed programme, 'Demystifying AI & Gen AI,' to strengthen foundational AI literacy across roles. Over 32,000+ employees have engaged in the programme, reinforcing L&T's commitment to AI readiness at scale.

ATLVarsity – Digital University ecosystem



AI-Powered Personalised Learning Ecosystem

Moving beyond conventional content delivery, ATL Varsity leverages Generative AI to enable intelligent, personalised and outcome-driven learning experiences. The platform deploys AI-led skill assessments and benchmarking tools that provide employees with targeted feedback and customised development pathways aligned to organisational priorities. Three key areas where AI/GenAI tools are used to improve L&D team productivity and providing a personalise user experience are

Accelerated Content Development

Course Builder tool enables rapid creation of structured learning pathways from a global repository of over 12,000 courses.

RAPL (Rapid Adaptive Personalised Learning) Craft tool, a micro-learning quizzing platform which strengthens knowledge retention through spaced repetition enables faster creation of assessments.

Hyper-Personalisation at Scale

An advanced AI-powered recommendation engine analyses skill matrices and individual learning behaviour to deliver hyper-personalised learning journeys.

A virtual instructor bot provides contextual guidance and enhances learner engagement throughout the course journey.

AI-Enabled Coaching & Skill Development

CAISY, a scenario-based AI coaching tool, enables experiential learning through simulated real-world interactions.

Coach Vani leverages Natural Language Processing (NLP) and real-time feedback mechanisms to strengthen communication and language proficiency through AI-driven coaching interventions.

Key Metrics

59,780
Unique learners during the year

39,48,472
Total learning hours (digital + physical)

7,01,219
ATL Varsity training hours

At the heart of the leadership pipeline systems will be the Leadership Excellence through Accelerated Programme (LEAP). They represent a deliberate reimagining of leadership development at L&T, integrating best-in-class global learning experiences with a structured, enterprise-wide approach to building leadership capability at scale. These programmes move beyond episodic training to create cohesive, multi-layered development journeys that are aligned to business strategy and future leadership requirements.The focus is not just on developing individual leaders, but on shaping an ecosystem of leadership that is agile, enterprise-minded, and equipped to navigate complexity, drive transformation, and sustain long-term value creation.

Digitalisation Initiatives

AI-Based Recruitment and Talent Acquisition

L&T enhanced its recruitment ecosystem through AI-driven resume screening, candidate matching, assessments and interview mechanisms to improve hiring speed, quality, objectivity and candidate experience.

NAVIS – Digital Platform for Graduate Engineering Trainees

L&T strengthened graduate trainee development through NAVIS, a digital platform offering structured learning, assessments, collaboration, gamified engagement and progress tracking for an immersive induction experience.

Role-Based Organisation Structure and System Enablement

L&T implemented a role-based organisational structuring and digital integration initiative to improve governance, workforce visibility, operational efficiency, and alignment across HR processes, talent management and succession planning.

AI-Based Goal Setting Framework

L&T introduced MyGoal, an AI-supported goal-setting platform that helps employees and managers define measurable, role-aligned goals using intelligent recommendations based on KRAs, competencies and business priorities.

HEERA Plus and Leadership Assistant

L&T launched HEERA Plus, a Generative AI-powered HR platform that delivers real-time HR support by integrating insights from enterprise policies, processes, manuals and knowledge repositories, enhancing employee experience and leadership effectiveness.

AI-Based 270-Degree Leadership Feedback System

L&T implemented an AI-enabled 270-degree feedback system based on its People Leadership Excellence Model to strengthen leadership development, succession readiness and personalised feedback through behavioural analytics and insight generation.

ESG Capacity Building at a Glance

Capacity building is being mainstreamed to embed and strengthen ESG integration across the organisation.

This is being conducted through:

- One hour module on sustainability as a part of the Executive and Management Development Programmes
- Awareness sessions for senior management across businesses conducted by the Corporate Sustainability
- Sessions conducted by business-level sustainability coordinators and teams at different locations including project sites and facilities
- Sessions for key functions such as supply chain management, industrial relations, safety to align decision-making with ESG considerations.

Sessions cover a range of topics, including fundamentals of sustainability, data management, climate change, water security, biodiversity, human rights, diversity and inclusion, sustainability reporting including BRSR. Training sessions linked to GHG reduction initiatives, energy efficiency, water use efficiency and waste management are conducted at work locations, i.e., EPC project sites and manufacturing facilities. The trainings and awareness sessions are extended to all employees and contract workers.

On World Environment Day, numerous awareness sessions, training programmes, campaigns and clean-up drives are organised to raise awareness on environmental issues among the workforce, including contractual workers. Special session for contract workers at LDA, Lonavala on environmental awareness conducted in vernacular language; more than 80 participants joined the session. In November 2025, the Company hosted its annual two-day sustainability conference, **ECOPHORIA**, which brought together over 200 participants, both online and offline, including sustainability champions from across businesses and functions. The event served as a dynamic platform for cross-functional collaboration, knowledge exchange, and sharing of best practices. During the year, the Company also launched the **IMPACT *(Inclusive Measures for People and Climate for a Better Tomorrow)* Awards** under two categories, recognising teams that go the extra mile in embedding ESG principles into their work:

- **Business:** Recognising leading businesses in sustainability, striving towards excellence across business operations.
- **Green Campus:** Recognising L&T locations (offices and manufacturing facilities) that exemplify resource efficiency, circularity, biodiversity, and other related sustainability parameters.

2,81,300 hours
of training delivered through sustainability coordinators across the businesses

20,040 hours
through EDP & MDP covering 835 participants





Diversity, Equity & Inclusion

The Company has taken significant steps to strengthen diversity, equity and inclusion through structured policies, leadership initiatives and enabling workplace practices.

The upstream talent pipeline has also strengthened, with women accounting for

~30% of campus hires over the past three years and overall hiring increasing from 10% in 2021 to ~13% this year

At the leadership level, representation continues to improve, with women in senior management increasing from

~120 in FY24–25 to ~130 in FY25–26

Engagement initiatives have also supported retention, with attrition among women declining from

14% in FY23–24 to 10.7% in FY25–26

Women employees are increasingly taking on leadership roles in strategic projects, including Noise Barrier Factory for the MAHSR Project and the Rubber Processing Machinery Unit at Kancheepuram, reflecting growing representation in critical operational roles.

Complementing these efforts, the DEI Academy has been launched within ATL as a digital platform to build awareness, capability, and inclusive leadership practices, engaging 3,300 learners since inception.

The Company has introduced a range of women-friendly policies to support employees across life stages, including crèche facilities, wellness rooms and protection of performance ratings during maternity leave. These have been extended to cover adoption and surrogacy, travel support with infants, transport facilities and flexible work options during and after pregnancy.

These sustained initiatives have contributed to a steady improvement in gender diversity, with approximately

5,300 women

employees across the organisation.

L&T is strengthening its inclusion agenda by broadening diversity beyond gender to encompass persons with disabilities and candidates from diverse regional and socio-economic backgrounds. The Company is progressively building inclusive hiring practices and workplace culture to enable equitable access to opportunities. These efforts are supported by a comprehensive equal opportunity policy that extends across gender, disability, background, and other dimensions, reinforcing L&T's commitment to a fair, respectful, and inclusive workplace.





Women and the Sea





For the women working on L&T's offshore and maritime projects, the sea is not just a workplace, it is a test of skill, endurance and resolve. Each day begins with navigating demanding conditions—strong winds, long shifts and high-stakes operations, where precision and teamwork are critical. In these environments, their contributions are both visible and vital.

In the middle of the Arabian Sea, a team of women engineers led critical tasks—overseeing installations, coordinating teams and ensuring safety in a constantly changing environment. Their work required not just technical expertise, but sharp decision-making and composure under pressure. Long rotations and physically demanding conditions tested their limits, yet they adapted—building confidence, resilience and strong team reliance.

For them, the sea became a proving ground—where they delivered on complex engineering challenges while reshaping perceptions. Today, they stand not as exceptions, but as integral contributors, engineers and leaders redefining what is possible.



Employee Experience and Engagement Initiatives

Employee engagement initiatives continued to foster connection, dialogue, and employee well-being across the organisation. At L&T, every employee interaction shapes their journey, making each day an opportunity to create a healthier and engaging workplace.

- **L&T Radio** is an in-house digital storytelling platform featuring 170+ podcasts on leadership, business insights, wellness, and employee experiences. With signature formats like "Power of 5" and "My Pride My Project", it strengthens knowledge sharing and cultural connect across platforms like RAPL, SharePoint, and Viva Engage—fostering pride and belonging.
- **L&T QuizWiz** is L&T's flagship knowledge initiative, engaging 3,600+ employees in its latest edition through a multi-level quiz format. It promotes learning, collaboration, and cross-functional awareness, evolving into a key engagement platform.
- **Hi5 Plus** is an integrated recognition and wellness platform to celebrate their personal and professional milestones together. It enables instant recognition and drives well-being through challenges like Stepathons and Walkathons, supported by AI-enabled features and health tracking tools.
- **L&T Ignite**, launched this year, brought together 1,500+ participants across music, dance, and arts. With 41 finalists, it created a vibrant platform for self-expression—strengthening collaboration, inclusion, and community across the organisation.
- **Art Beats** celebrates creativity, wellness and self-expression through the art. It provides a platform for employees to showcase talents and fostering a vibrant and inclusive workplace culture. Beyond recreation, ART BEATS strengthens collaboration, boosts morale, and reinforces the organisation's commitment to holistic employee well-being.
- **Positive Employee Experience Workshops** conducted across various project sites and locations, reinforcing a culture of belonging, strengthening L&T's values and culture, and fostering a strong spirit of oneness and camaraderie.
- **Pulse Engagement Surveys** are conducted through the **HEERA chatbot** at critical milestones (7 days, 30 days, 60 days and 180 days) for new joiners. This year, over 8,000 lateral new hires and 2,800 campus hires responded to pulse surveys.





Employee Wellness: Enabling Performance and Resilience

Anchored in the Company's long-standing people-first philosophy, this commitment is reinforced through a formalised Wellness Policy that provides a structured framework for employee care. The policy spans physical, mental, emotional, financial, and workplace safety dimensions, recognising that holistic well-being underpins performance and engagement.

Over time, L&T's wellness initiatives have evolved into an integrated, enterprise-wide ecosystem, led by L&D and delivered through reputed partners. Programmes such as Mindfulness and Art of Living have been institutionalised, with the portfolio expanding to address physical, social, emotional and spiritual well-being. These are complemented by virtual interventions that promote positive micro-habits and healthier lifestyles in every day.

Together, these collaborations bring a holistic focus on well-being—supporting mindfulness, resilience, and sustainable habits. They reinforce L&T's belief that wellness is a strategic investment in human capital, enabling a resilient, engaged, and high-performing workforce aligned with long-term growth.

Physical Wellbeing

L&T continues to strengthen physical well-being through a mix of awareness, preventive care, and targeted health interventions:

Training Programmes and webinars

27 sessions

16,267 participants

Diagnostic & Screening Camps

73 camps

5,906 beneficiaries

Key initiatives during the year included specialised programmes on diabetes and cholesterol management, aimed at promoting preventive healthcare among employees. The annual Aarogya Mela provided access to a wide range of health screenings under one roof, enhancing early detection and awareness.

The Company has also ensured strong coverage of **Annual Health Check-ups across India, reaching 88% of employees over the past two years**, reinforcing its focus on proactive health management. As part of its continued commitment to employee well-being, the Company has enhanced the term life insurance coverage for employees this year.

Mental Well-Being Initiatives at L&T

Mental health is a critical component of overall well-being and requires continuous care and attention. L&T promotes wellness through awareness, access to support and capability building:

- **Awareness & Training**: 55 mental health webinars were conducted, reaching 17,215 participants, covering stress management, self-care, and resilience.
- **Counselling Support**: Employees have access to confidential counselling through internal and external providers.
- **Mental Health First Aiders**: 100 participants - each trained to identify and support mental health concerns.

Additionally, *Panchakosha* Wellness Workshops were conducted in collaboration with IIT Bombay, introducing a holistic framework covering physical, mental, intellectual, and emotional well-being, reinforcing the interconnectedness of mind and body.



Health, Safety and Well-being

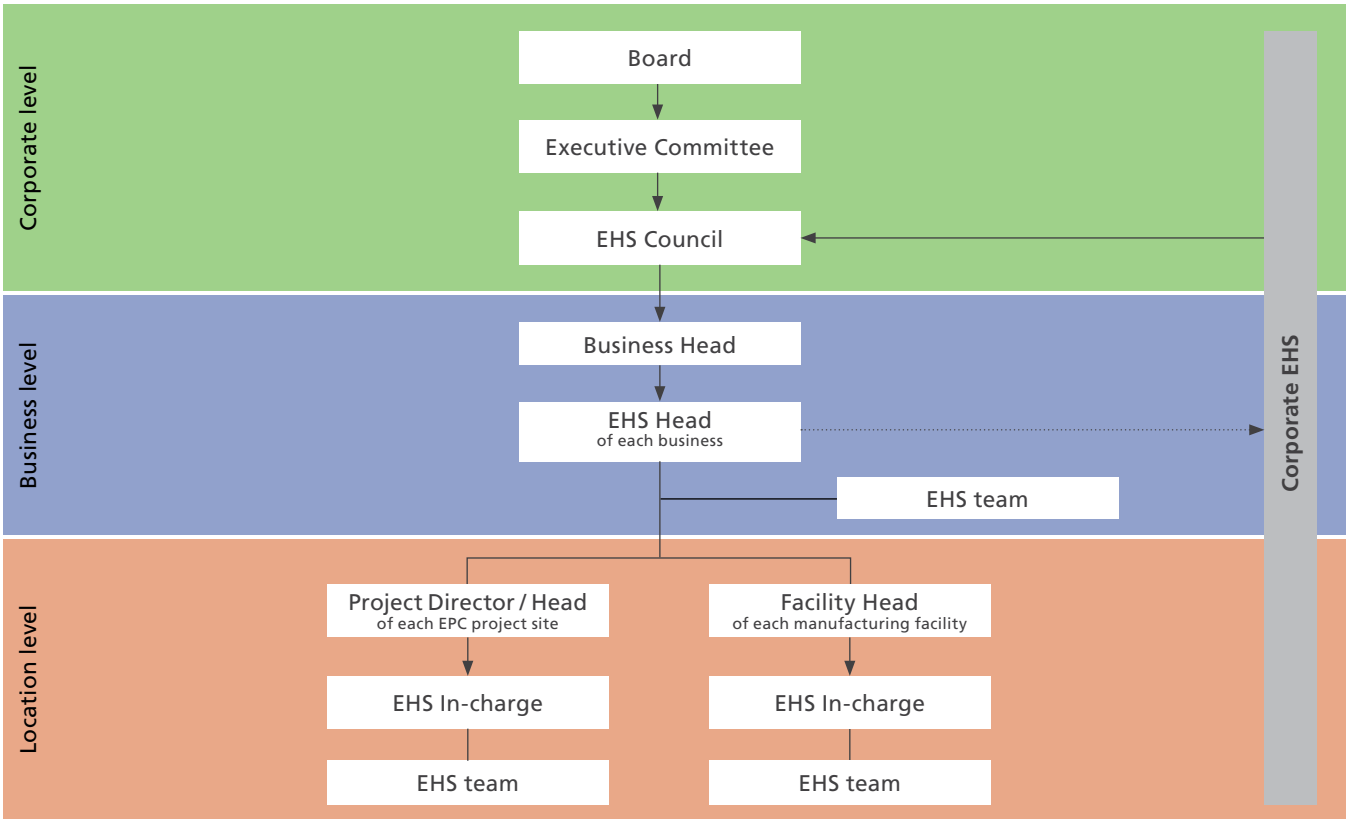
L&T is committed to providing a safe, healthy and supportive work environment for all persons working at, or impacted by, its operations. This commitment extends across employees, non permanent employees, contract workers, visitors and communities, with particular focus on EPC project environments where work involves elevated health and safety risks. The Company believes that zero harm is achievable through strong leadership, robust systems, worker participation, and continual learning. Health, safety and well being are integral to operational excellence, risk management and long term value creation, and are embedded across the project lifecycle from design and procurement through execution, commissioning and maintenance.

Governance and Oversight

Environment, Health and Safety (EHS) governance is anchored at the highest level of the organisation. The EHS Council, chaired by the Deputy Managing Director and convened by the Corporate Head-EHS, functions as the apex governance body for occupational health and safety.

The Council provides strategic direction, approves policies and standards, reviews performance and oversees continuous improvement initiatives. EHS performance, material risks, significant incidents and corrective actions are reviewed quarterly by the Executive Committee and the Board, reinforcing leadership accountability and tone from the top.

Clear roles, responsibilities and escalation mechanisms are defined across businesses and projects to ensure effective implementation and oversight at all levels.



Driving the Safety Culture

L&T's approach to EHS is founded on the belief that a strong safety culture is essential to protecting people, ensuring reliable project execution, and sustaining long term value creation. Safety is embedded as a core organisational value and is treated as a shared responsibility across leadership, employees, partners and the wider project ecosystem. The Company integrates EHS considerations across the entire project lifecycle– from bid evaluation, design and procurement to construction, commissioning and operations. This ensures that safety risks are identified early, eliminated where possible through design and engineering controls, and effectively managed through disciplined execution. By embedding safety upfront, L&T strengthens both workforce protection and project predictability.

L&T's EHS policy emphasises prevention of injuries and ill-health, continuous risk reduction, worker welfare and proactive stakeholder engagement. Clear, measurable objectives are established to improve EHS performance, with accountability defined at every level of the organisation. Each business unit adopts and implements its own EHS policy aligned to the Group framework, ensuring consistency while addressing the specific risks and contexts of diverse operations. The Company's EHS Management System (EHSMS) provides a structured and systematic approach to managing occupational health and safety risks. Aligned with internationally recognised standards such as ISO 45001, applicable national regulations and industry best practices, the EHSMS ensures uniform minimum standards across businesses, while enabling continuous improvement through audits, performance reviews and learning from experience.

A key focus of L&T's safety culture is leadership ownership and visible commitment. Leaders at all levels are committed to inculcate a culture of safe behaviours, engage directly with site teams, and reinforce the message that safety takes precedence over cost and schedule pressures. Regular leadership interactions, field visits and safety conversations strengthen trust, encourage open reporting and reinforce a 'just culture' where learning is prioritised over blame.

Employee and worker participation is central to building a resilient safety culture. Mechanisms such as toolbox talks, pre start briefings, safety committees, observation reporting and near miss reporting enable frontline involvement in identifying hazards and improving controls. These practices empower workers to intervene, speak up and stop unsafe work without fear of reprisal. L&T is progressively shifting from a reactive, incident based approach to a proactive and predictive safety model. Greater emphasis is placed on leading indicators such as behavioural observations, risk assessments, safety walks and compliance to critical controls to identify and address risks before they result in harm. Insights from data analytics, audits and incident investigations are used to strengthen systems, improve decision making and enhance organisational learning.

Through this integrated, leadership driven and people centric approach, L&T continues to strengthen its safety culture moving beyond compliance to embed safety as an inherent part of how work is planned, executed and governed across the organisation.



At L&T MFF Kattupalli Yard, a safety initiative titled the Hot Ball Game has been implemented to strengthen safe working practices through active workforce participation and real-time hazard identification.

As part of this initiative, the Line Supervisor identifies instances of unsafe acts and symbolically transfers the Hot Ball to the concerned individual. Once received, the individual is required to immediately discontinue the unsafe activity and proactively identify another unsafe act within the work area, thereby continuing the cycle. This mechanism promotes heightened situational awareness and reinforces peer accountability across the workforce.

All identified instances are addressed through timely counselling and constructive feedback. Observations are systematically recorded via a dedicated QR code based platform developed specifically for capturing Hot Ball Game interventions, enabling effective monitoring and analysis.

Further, individuals involved are encouraged to share their experiences during the subsequent day's toolbox talk, including the nature of the unsafe act and the corrective actions undertaken. This practice facilitates knowledge sharing, reinforces behavioural learning, and contributes to fostering a strong and sustainable safety culture across the organisation.





EHS Strategy and Focus Areas

Lakshya includes a strategic safety initiative EHS as a positive modifier. Various safety initiatives have been reframed as:

Value to our customers

- Foster customer relationships through clear understanding of their EHS objectives and targets
- Increase collaboration with customers to enhance EHS activities
- Recognise EHS as a value add
- Apply active risk practices to all key pursuits and establish the application of Smart EHS analysis in field-level activities

Successful execution

- Standardise EHS operational controls & work methodologies
- Conduct Daily Safety Cycle for high-risk activities
- Improve EHS outcomes through functional SIF awareness for all facets of business undertakings
- Assist leadership with information that supports risk-based decision making

Accountable leadership

- Embed EHS maturity principles to enhance organisational decision making
- Roll out K**NO**W HARM programme with integrated human performance principles
- Empower employees and workers through the roll-out of a refreshed conversations programme
- Implement a Safety Responsibility Leader System

VISION KNOW HARM

To strengthen systems and processes, the Company has introduced a refreshed approach to occupational safety in FY 2025 - 26. The approach is anchored on two objectives:

KNOW HARM

focused on understanding hazards and risk management

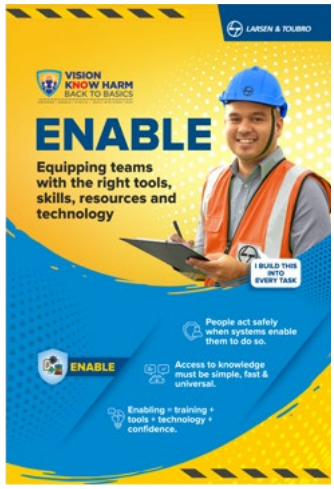
No Harm

ensuring prevention of harm to people, assets, and the environment

VISION KNOW HARM BACK TO BASICS
EMPOWER | ENABLE | ETHICAL - BUILT INTO EVERY TASK

This framework is based on the principle that awareness alone is insufficient without action to prevent incidents. It aims to build a resilient safety culture that addresses gaps in traditional safety models and strengthens proactive risk management across operations. This vision is built on three principles:







To drive the implementation of strategy, in addition to the existing systems, following interventions have taken place:

- **Back to Basics:** A focused campaign to reinforce fundamental safety principles as the foundation of a strong EHS culture, driven through Company-wide programmes during Safety Month across major locations.
- **Life Saving Rules (LSRs):** Introduction and roll out of 11 non-negotiable Life Saving Rules replacing Golden Safety Rules, supported by standards and monthly awareness campaigns to drive consistent implementation.
- **EHS Leaders Workshop:** A three-day workshop with EHS leaders across businesses to align on strategy implementation and drive cultural transformation.



Workplace Safety Implementation

Workplace safety at L&T is implemented through a structured and risk based deployment of the Environment, Health and Safety Management System (EHSMS) across all projects, sites and facilities. The system ensures that safety requirements are embedded into day to day operations and consistently applied throughout the project lifecycle. Activity specific Standard Operating Procedures (SOPs) are established for all critical and high risk tasks, considering statutory requirements, client standards and site specific hazards. These SOPs are supported by a robust Permit to Work (PTW) and Safe to Start framework, ensuring that work commences only after hazards are identified, risks are assessed, and control measures are verified.

Operational implementation is further strengthened through Field Level Risk Assessments (FLRAs) and 'Take 5' practices conducted prior to task execution. Supervisors and frontline personnel actively assess changing site conditions and intervene where unsafe conditions or behaviours are observed. For high risk activities, structured daily safety cycles reinforce consistent application of controls and preparedness across shifts.

Compliance to safety requirements is enabled through a combination of supervision, audits and technology. For employees, adherence is supported by digital tools such as electronic checklists, geo tagged photographic evidence and geo fenced access and attendance systems. These tools improve transparency, traceability and real time verification of safety controls at site.

For contract and non permanent workers, safety obligations are formally embedded within subcontractor agreements and site access protocols. Contractors are required to demonstrate compliance with L&T's EHS standards, supported by mandatory inductions, task specific training and continuous supervision. Contractor Maturity Assessments are undertaken to evaluate capability, identify gaps and drive focused improvement plans, strengthening safety performance across the project ecosystem.

Through disciplined execution, frontline engagement and systematic monitoring, L&T ensures that workplace safety controls are not only defined but effectively implemented, sustaining a safe and reliable working environment across diverse and complex operations.

Contractor Compliance

L&T's Code of Conduct for Suppliers incorporates health and safety requirements, with all suppliers required to provide compliance declarations. Further, all individuals - including employees, contractual workers, and visitors - must undergo mandatory safety induction training prior to site access, ensuring a consistent understanding of safety protocols and expectations across all work locations.

All individuals - including employees, contractual workers and visitors - are required to undergo mandatory safety induction training prior to site access, ensuring a consistent understanding of safety protocols, hazards and expected behaviours. The Company also undertakes regular monitoring and evaluation of contractor performance through audits, inspections and structured Contractor Maturity Assessments. These mechanisms enable identification of gaps, drive continuous improvement and strengthen accountability across the value chain, ensuring safe and compliant project execution.

Digital Solutions for promoting Safety

With a workforce of over 3,75,000 and presence across 600+ locations, consistent implementation of EHS systems and SOPs is inherently complex. To address this, the Company has deployed a suite of digital solutions to strengthen EHS management and reporting.

SHEILD is a key platform implemented across businesses, enabling digital Permit to Work issuance, assignment of safety tasks, recording of observations, subcontractor performance evaluation and monitoring of EHS work plans, including training programmes. The platform also supports safety audits and performance analytics.

To enhance training effectiveness, particularly for contractual workers, Virtual Reality (VR) based modules and headsets are being deployed for immersive safety training. In addition, business-specific applications such as ViewEHS and IB4U (Inspect Before Use) have been developed to address operational requirements.

Advanced features such as GPS-tagged imagery and geo-fencing are integrated into select applications to capture real-time site conditions and enable access-based controls, improving transparency and compliance.

Training, Awareness and Communication

Effective implementation of L&T's EHS management systems is reinforced through structured training, continuous awareness building and clear, consistent communication across all levels of the organisation. Training and communication are designed to strengthen hazard awareness, reinforce safe behaviours and enable informed decision making at the point of work. EHS training programmes are developed at both business and location levels, tailored to specific operational contexts and risk profiles. These programmes cover employees, non permanent employees and contract workers, ensuring that all personnel working at L&T locations have a consistent understanding of applicable safety requirements, roles and responsibilities.

Training interventions address key aspects including Company EHS policies, Standard Operating Procedures (SOPs), hazard identification, risk control measures, emergency preparedness, consequences of non compliance and safe work practices. A combination of classroom sessions, on site demonstrations, digital modules and experiential learning is used to enhance engagement, retention and practical application.

Pre Start Verifications and Toolbox Talks, conducted by site engineers or supervisors at the beginning of each shift, play a critical role in reinforcing 'K**NO**W HARM' principles. These interactions focus on activity specific hazards, site conditions, control measures and behavioural expectations, with particular emphasis on high risk activities and dynamic work environments. Toolbox talks also provide a platform for worker participation, enabling questions, feedback and shared learning. Specialised training programmes are provided for high risk operations such as working at heights, confined space entry, lifting operations and tunnelling. These programmes are designed to strengthen technical competence, reinforce adherence to critical controls and reduce exposure to serious injury and fatality risks.

Safety communication is further strengthened through the deployment of visible and strategically placed signage, displays and notice boards across project sites and facilities. These visual cues reinforce key safety messages, LSRs and emergency information. To ensure systematic and consistent communication, a structured EHS Communication Matrix is implemented. The matrix maps key EHS elements, stakeholder groups, communication channels and required records, enabling traceable, timely and targeted dissemination of information across the organisation.

Through continuous training, frontline engagement and disciplined communication, L&T reinforces safety awareness, strengthens workforce capability and supports reliable execution of the 'K**NO**W HARM. No Harm' approach across its diverse operations.

Performance Monitoring and Continuous Improvement

EHS performance across work locations is monitored daily through both proactive and reactive measures. All personnel are encouraged to report non-compliances and observations to enable timely corrective action. Monthly EHS Committee meetings comprising site teams, contractors and worker representatives - review performance, identify gaps, and also track implementation of corrective measures.

At the business level, performance is reviewed through monthly management meetings, while senior leadership conducts GEMBA walks for on-ground assessments. At the governance level, the Board reviews EHS performance on a quarterly basis through the EHS Council.

Internal and third-party audits support identification of gaps and continuous improvement. Incident investigations, including both preliminary and detailed analyses, inform corrective actions. The monitoring approach places strong emphasis on leading indicators, such as near misses and non-compliances, to proactively identify risks and strengthen EHSMS implementation.



Exoskeletons for Worker Safety and Well-being

Worker fatigue and musculoskeletal disorders (MSDs) are critical risks in the construction sector, particularly in activities involving repetitive motion, lifting, overhead work, and prolonged exertion. With a large contractual workforce deployed across EPC project sites, reducing fatigue can significantly improve safety, productivity, and quality.

As part of its Robotics initiative, the Company has piloted five types of industrial exoskeletons across select project sites in the Heavy Civil Infrastructure and Minerals & Metals businesses. These devices are designed to reduce biomechanical strain on the back and shoulders, improving posture, endurance, and consistency. The exoskeletons were evaluated by internal medical and safety experts to establish usage protocols prior to field deployment. Pilot use cases included lifting assistance, overhead work, repetitive bending, prolonged standing, and tool handling. The initiative received positive feedback from workers in terms of comfort, fatigue reduction and ease of use.

Outcomes from the pilot are being analysed to refine both the technology and operating procedures, with a view to scaling deployment across additional project sites. This initiative forms part of the Company's broader Robotics roadmap, alongside Physical AI solutions such as autonomous robots, inspection systems, and intelligent material-handling technologies.





Ergonomic Risk Assessment for Prevention of Musculoskeletal Disorders (MSDs)

L&T Energy - CarbonLite Solutions business identified increasing concerns related to poor posture and ergonomic stress. To address this, a comprehensive ergonomic assessment was conducted with support from an external expert.

The assessment included **48 evaluations** using REBA (Rapid Entire Body Assessment) and RULA (Rapid Upper Limb Assessment) across key operational activities such as welding, drilling, rigging, grinding and crane operations. As a result of the assessment, various steps were taken to address the gaps and few of these are:

- Provision of low-level rotating stools to reduce bending and squatting during fabrication tasks.
- Frequent and periodic breaks during the works
- Power Zone Working Awareness (mid-thigh to chest level) to minimize strain on spine, shoulders and neck.

In addition, ergonomic training and awareness programmes were conducted, covering correct postures, safe work techniques, and stretching and strengthening exercises. These initiatives enhance workforce well-being while contributing to improved productivity and reduction in work-related health costs.





Commitment to protecting and upholding Human Rights

Larsen & Toubro Limited is firmly committed to respecting, protecting and promoting human rights across its operations, value chain and sphere of influence. This commitment is grounded in the belief that respect for human rights is fundamental to responsible business conduct, long-term value creation and sustainable development.

L&T's approach to human rights is aligned with internationally recognised frameworks, including the United Nations Guiding Principles (UNGPs) on Business and Human Rights, the Universal Declaration of Human Rights (UDHR), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and applicable national laws and regulations in the geographies in which the Company operates.

Governance, Policy Commitment and Accountability

Human rights considerations are embedded within L&T's governance and ESG oversight framework. The Company's commitment is articulated through a suite of interlinked policies and codes, including the Sustainability Policy, Code of Conduct, Equal Opportunity Policy, Environment, Health & Safety Policy (EHS Policy), Supplier Code of Conduct and Whistleblower Policy. These instruments set clear expectations for ethical conduct, respect for dignity, non-discrimination, safe working conditions and fairness across all business activities.

Oversight of human rights is exercised by senior leadership through established governance mechanisms, with defined responsibilities across Human Resources, Industrial Relations, Sustainability, EHS and business functions. This ensures that human rights considerations are integrated into strategic decision-making, operational processes and risk management.

Human Rights Due Diligence

L&T follows a risk-based human rights due diligence approach to identify, assess, prevent and mitigate potential adverse human rights impacts arising from its operations and supply chain. This involves:

- Identification of salient human rights risks across employees, contract and migrant workforces, EPC project environments and supply chains
- Integration of human rights criteria into vendor onboarding, procurement and contractor management processes
- Ongoing monitoring through internal audits, project reviews and site level inspections
- Time-bound corrective actions and follow-up where gaps or non-compliances are identified
- Independent sustainability assessments by external agencies, clients and auditors

This approach is continuously strengthened in response to evolving regulatory expectations, stakeholder feedback and sector-specific risk profiles.

Prevention of Forced and Child Labour

- L&T strictly prohibits all forms of forced labour, including bonded labour, human trafficking, and the withholding of wages or personal documents
- The Company enforces a strict no-recruitment-fee policy across its operations and contractors, ensuring that no employee bears the cost of employment
- Robust age verification processes, including validation through government-issued identity documents, are followed prior to onboarding to ensure compliance and prevent child labour. Mandatory ID verification is conducted during workforce mobilisation to confirm legal working age
- Strict prohibition of child labour is enforced across all sites, supported by visible communication through display boards
- The Company ensures that no personal documents are retained from workers, safeguarding their rights and dignity

Workplace Rights and Fair Labour Practices

L&T is committed to providing decent work and fair labour practices for all persons working at, or on behalf of, the Company.

- **Equality, Diversity and Non-Discrimination:** L&T maintains zero tolerance for discrimination or harassment on any grounds, including gender, caste, ethnicity, religion, disability or other status. Equal opportunity principles are embedded across talent acquisition, development, remuneration and progression.
- **Freedom of Association and Collective Bargaining:** The Company respects employees' rights to freedom of association and collective bargaining in accordance with applicable laws and regulations.
- **Fair Wages and Working Conditions:** L&T ensures fair remuneration, timely payment of wages, regulated working hours and statutory benefits, with periodic reviews to promote equity and compliance.
- **Health, Safety and Dignity at Work:** Safe and healthy working conditions are treated as a fundamental human right and are integral to execution excellence, particularly in high risk EPC project environments.





Awareness, Training and Capacity Building

Embedding respect for human rights is supported through continuous awareness, training and engagement. The commitment extends beyond policies - it involves equipping the employees, suppliers and partners with the knowledge and tools they need to uphold human rights in their daily work.

Workers

- Induction programmes and regular training sessions are conducted for workers and contractors to reinforce awareness on child labour prohibition.
- Awareness is further strengthened through toolbox talks and site-level engagements promoting ethical practices and compliance.

Employees

- Regular training on human rights is provided to employees at all levels in different forms (online and offline). A specific learning module on ATL Varsity has been launched to make the learning more interactive. This training is extended to both permanent and non-permanent employees.
- **>11,000** employees trained on human rights through ATL platform
- The content is updated to reflect emerging issues, regulatory developments and stakeholder expectations.

Supply Chain Partners

Awareness programmes and contractual requirements reinforce expectations on human rights and labour standards across the value chain. Training effectiveness is periodically reviewed and refreshed to reflect emerging risks, regulatory developments and stakeholder expectations.





Human Rights in the Supply Chain

The Company extends its commitment across its supply chain through a structured approach:

Supplier Code of Conduct

Purpose: Sets clear expectations for ethical, responsible and sustainable business practices across L&T's global supply chain

Scope: Applies to all suppliers, contractors, sub-contractors, vendors, consultants and business partners working with L&T

Core Pillars:

- **Environmental Sustainability:** Resource efficiency, pollution prevention, waste reduction, regulatory compliance
- **Human Rights and Labour:** Safe working conditions, human rights, equal opportunity, non-discrimination and no harassment
- **Ethics and Compliance:** Zero tolerance for bribery and corruption, conflict of interest disclosure, data privacy, fair competition, ethical business practices

Contractual Enforcement:

- Suppliers are to comply with L&T's human rights and ESG standards, supported by mandatory acceptance and sign-off. These requirements are embedded within vendor onboarding processes and purchase orders.
- The Company also reserves the right to conduct due diligence, audits, and inspections, with an expectation of ongoing self-monitoring and compliance by suppliers.

Accountability: Any noncompliance constitutes a breach of contractual obligations. In any breach, L&T reserves the right to take appropriate action including termination of existing contractual relationship and/or removal/suspension from participating in any future requirement of L&T.

Risk-Based Supplier Assessment

Suppliers, particularly those in critical categories, are subject to ESG assessments conducted by independent third party.

Corrective Action and Capacity Building

Instances of non-compliance are addressed through structured corrective action plans, along with ongoing awareness building for suppliers and contractors.

Worker Welfare and Site Practices

Recognising the nature of its EPC operations, L&T places strong emphasis on worker welfare, particularly for contract and migrant workers. The Company seeks to ensure access to safe accommodation, potable water, sanitation, healthcare facilities and grievance mechanisms at project sites and facilities, consistent with applicable standards and local conditions.

Human Rights and Community Engagement

L&T recognises that respect for human rights extends beyond its operations into the communities in which it operates. The Company engages with local communities through formal and informal consultations to understand and address site-related concerns.

In addition, CSR initiatives focus on health and sanitation, education, water access, and skill development - supporting community well-being. These efforts help build trust, mitigate social risks, and create long-term shared value. Community-related needs and concerns are addressed through the Company's CSR initiatives. Refer to Social and Relationship Capital of this Integrated Annual Report FY 2025-26 for details related to CSR projects.

Grievance Mechanisms and Access to Remedy

The Company has established multiple accessible and confidential channels for reporting concerns and ensuring timely resolution:

- **Whistleblower Mechanism:** Enables anonymous reporting of violations by employees, suppliers, and external stakeholders
- **Internal Complaints Committee (ICC):** Addresses workplace harassment in compliance with the POSH Act, 2013
- **Worker Grievance Systems:** Structured processes at project sites for grievance registration, escalation, resolution, and closure, supported by periodic audits and reviews

These mechanisms ensure that affected stakeholders have access to fair and transparent remediation processes.



Performance Monitoring and Continuous Improvement

Human rights performance is tracked through indicators at multiple levels such as complaints and grievances, and resolution timelines, sustainability assessment of supply chain partners and workforce training on human rights.

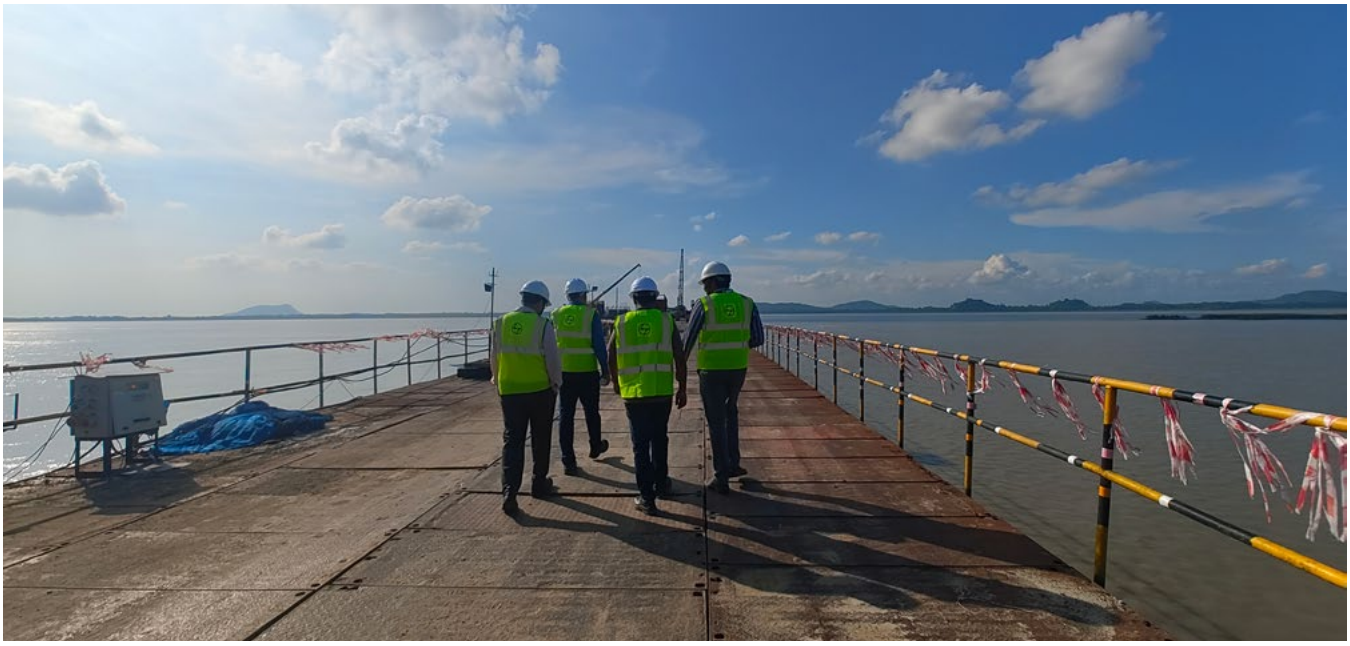
Through this structured and evolving approach, L&T seeks to strengthen its human rights practices, ensuring alignment with global standards while fostering a responsible, transparent, and inclusive business ecosystem across its value chain.

Way Forward

Human Resources will continue to play a pivotal role in enabling business performance and long term value creation by evolving into a digitally enabled, insight driven and strategically integrated function. Leveraging automation and responsible application of AI across processes, HR will enhance efficiency, consistency and decision quality - freeing capacity to partner more deeply with businesses on strategic priorities under **Lakshya**.

The focus will be on strengthening organisational capability and leadership depth through targeted talent induction, deliberate succession planning and hyper personalised capability development. HR will modernise and future proof the leadership pipeline across Business, Project and Technology tracks, while building depth in specialised and emerging skills required to support L&T's evolving portfolio, global footprint and technology led growth agenda.

The initiatives will enable the Company to cultivate a resilient, agile and accountable leadership ecosystem, one that is equipped to navigate complexity, drive transformation, steward human capital responsibly and sustain long term value creation for all stakeholders.

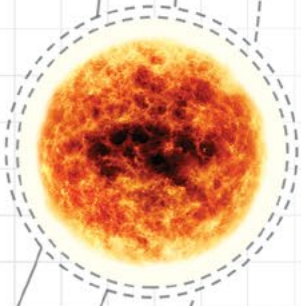


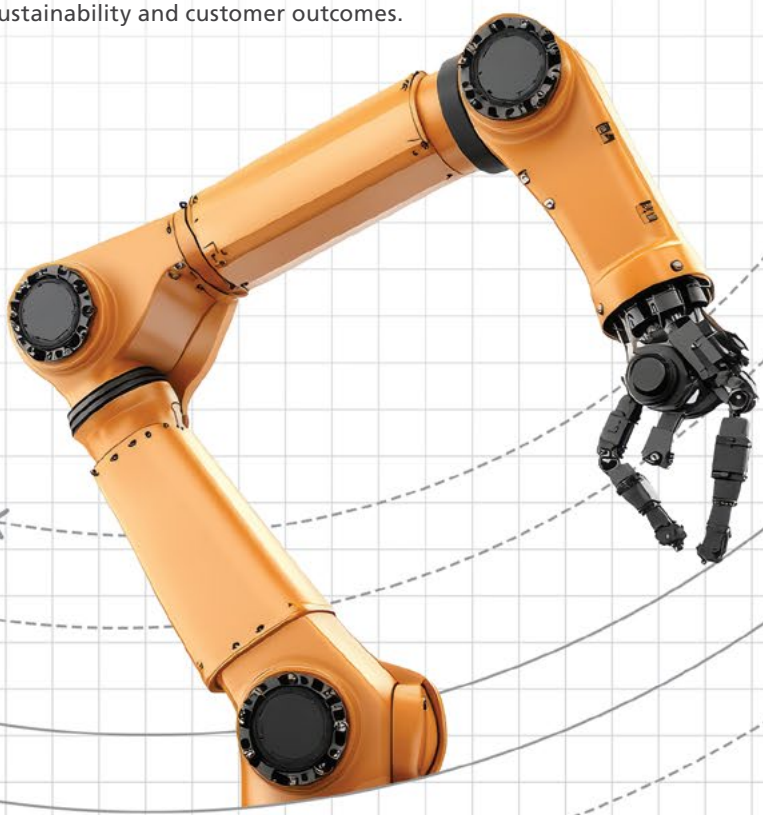
INTELLECTUAL CAPITAL

Intellectual Capital represents the innovation capability, technical expertise, digital ecosystems and proprietary knowledge that enables the company to take purposeful leaps from conventional execution to future-ready infrastructure and industrial solutions. As infrastructure and industrial sectors transition towards a technology-led, low-carbon future, L&T continues to strengthen its intellectual capital through advanced R&D, digital transformation, engineering innovation, automation and AI-enabled solutions. These leaps, whether in material science, execution methods, artificial intelligence or system design, translate into competitive advantage and long term value creation.

The Company's innovation ecosystem operates through an integrated but decentralised model, combining R&D centres, engineering design hubs, digital command centres, domain-focused competency units and site implementation teams. This distributed architecture accelerates the deployment of next-generation technologies across business verticals, enabling improvements in project performance, quality, safety, sustainability and customer outcomes.









Key Highlights of FY 2025-26

₹524 Cr
Total R&D Spend
(cumulative over last 3 years)

90
R&D Engineers and Scientists

Strategy Linkage[1]

SO-I | SO-III | SO-IV | SO-V

SE-1 | SE-2 | SE-5

SDGs Impacted

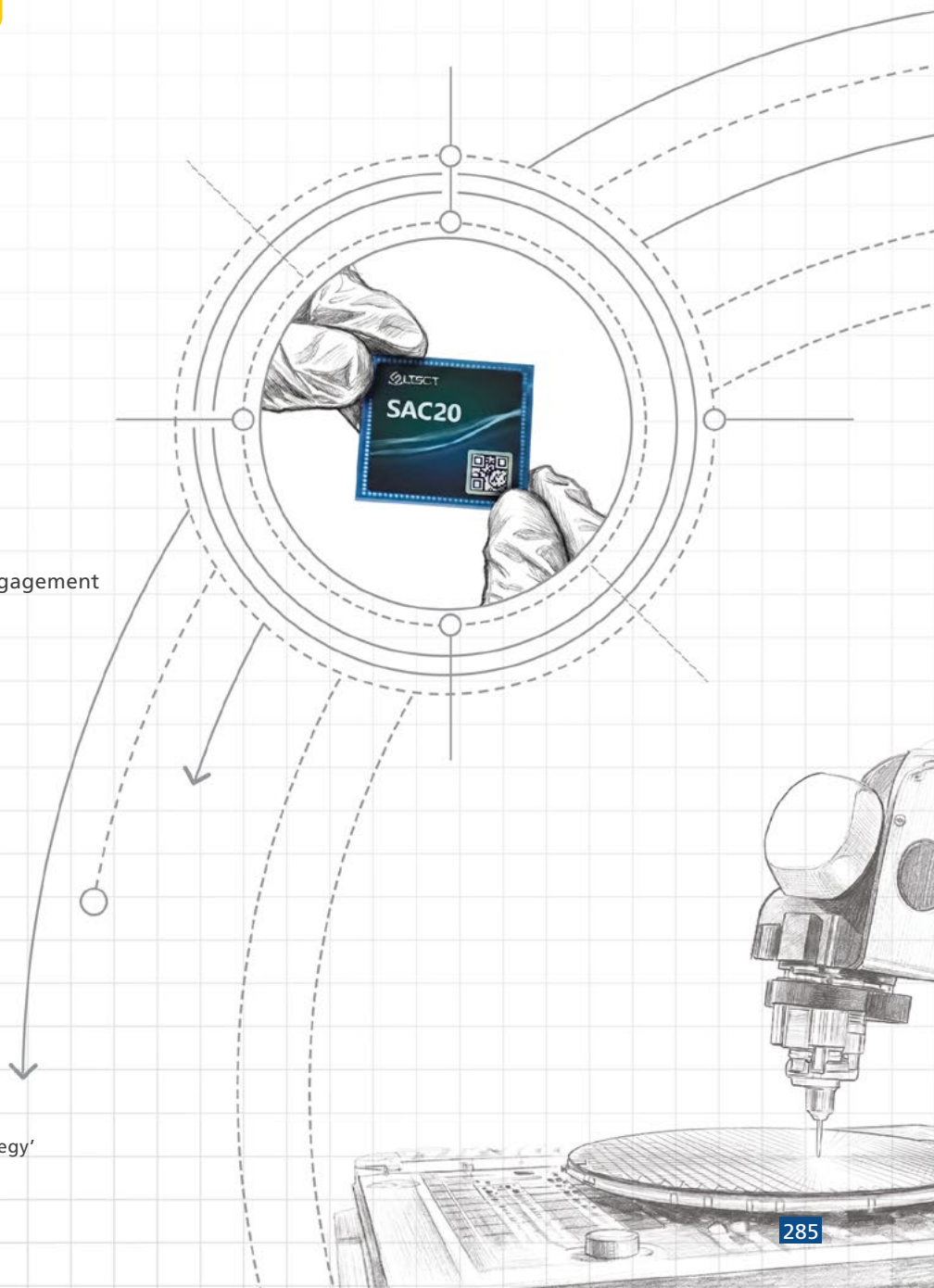
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

17 PARTNERSHIPS FOR THE GOALS

Material Topics

- Product Quality and Reliability
- Talent Management and Workforce Engagement
- Data Privacy and Security
- Business Ethics
- Climate Change



[1] For details, refer to 'Business Model and Strategy' section of this Report.

R&D Initiatives at L&T Construction Research and Testing Centre

L&T Construction Research and Testing Centre (LTCRTC) is a specialised facility developed by the Company and recognised by the Department of Scientific and Industrial Research (DSIR), Government of India, as well as accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL). It is among the few facilities of its kind in India's construction sector housed within a private enterprise. LTCRTC undertakes focused R&D to address current and emerging challenges in EPC project execution, enabling improvements in quality, efficiency and reliability. The Centre actively contributes to industry advancement through participation in nodal committees, industry forums and collaborations with reputed academic institutions.

Serving as a hub for innovation and quality assurance, LTCRTC plays a critical role in strengthening technological capabilities and advancing best practices across the construction value chain.



Alternative Cement Treated Base layer

The rapid expansion of transportation infrastructure in India, particularly highways and expressways, is driving significant extraction of natural resources such as aggregates, which also contribute substantially to the embodied carbon of pavement systems. Cement Treated Sub-Base (CTSB), a critical layer in road construction, enhances structural stiffness, improves resistance to moisture damage and rutting, and enables reduction in overall pavement thickness. LTCRTC, in collaboration with the Engineering Design & Research Centre (EDRC) of the Transportation Infrastructure business, has developed a sustainable alternative to conventional CTSB. This innovative mix design substitutes 10-30% of crushed aggregates with ordinary earth sourced from borrow pits, reducing dependence on virgin materials while improving constructability.

The solution delivers **~15% reduction in carbon emissions** associated with CTSB, along with significant cost savings due to lower plant and machinery requirements. It has been successfully deployed in the Meerut Hapur Ganga Expressway project, demonstrating its real-world impact.

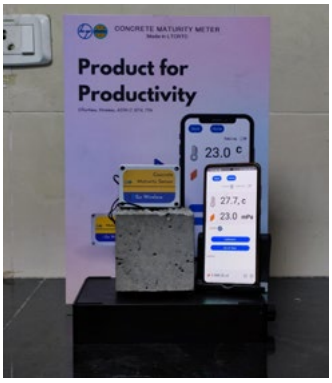


Limestone Calcined Clay Cement Concrete

Traditional cement concrete remains a significant contributor to embodied carbon in infrastructure, primarily due to emissions from clinker production. In response, low-carbon alternatives such as Limestone Calcined Clay Cement (LC3) are gaining global traction. By partially replacing clinker with calcined clay and limestone, LC3 leverages abundantly available materials and requires lower calcination temperatures, significantly reducing environmental impact without compromising performance.

LC3-based concrete delivers mechanical strength comparable to Ordinary Portland Cement (OPC), along with enhanced durability, improved resistance, and longer service life. LTCRTC has conducted extensive studies on LC3 mix designs, validating performance parity with OPC and assessing compatibility with supplementary cementitious materials such as Ground Granulated Blast Furnace Slag (GGBS).

With a **30-40% lower carbon footprint**, LC3 offers a scalable pathway for low-carbon construction. The mix design has been successfully validated and proposed for deployment in applications such as noise barriers for the Mumbai-Ahmedabad High-Speed Rail project, demonstrating its practical viability.





Concrete Speaks: Real-Time Strength Estimation Device

Concrete strength development is time-dependent and timely validation is critical to ensure structural integrity and compliance with technical standards. Conventional cube compressive strength testing, while reliable, does not enable real-time assessment, often leading to waiting periods that can impact construction schedules.

To address this, LTCRTC has developed an innovative, technology-enabled solution for real-time concrete strength estimation, based on the ASTM C1074 maturity method. This wireless, low-cost system is easy to deploy on-site and requires minimal technical expertise.

The solution enables faster, data-driven decision-making by **reducing testing time by over 20%** and **lowering testing costs by approximately 60%** compared to conventional methods. Already deployed across multiple large project sites, it is being scaled across new projects enhancing execution efficiency, quality assurance and schedule reliability.

EPC Projects: Digital Transformation

L&T is reimagining EPC project delivery through a comprehensive digital transformation that integrates technology across the entire construction value chain. In an industry traditionally constrained by fragmented processes, workforce limitations and tight margins, digitalisation is enabling a shift towards more agile, efficient and resilient execution models.

The Company is now advancing towards a data-centric and intelligent EPC ecosystem, leveraging technologies such as Artificial Intelligence (AI), Machine Learning (ML), Natural Language Processing (NLP) and advanced analytics. These capabilities are enabling predictive planning, real-time monitoring and proactive risk management, transforming how projects are designed, executed and controlled. Digital tools are also addressing critical industry challenges by augmenting workforce productivity, bridging skill gaps, and enhancing safety. The result is improved schedule certainty, cost efficiency and quality outcomes across complex projects.



Robotic Rebar Cage Manufacturing



Automatic Concrete Placer System

Fully Automatic Concrete Placing system for slab production implemented at MAHSR T-3 project site. Entire Setup including batching plant is controlled through PLC and SCADA, ensuring precision and streamlined performance without safety concerns.



Pre-Construction

eDOC Approval System

Digital platform designed to automate and streamline document approval workflows. By automating the tracking, helps reduce approval timelines and manual effort.

OPTRIX Phase II

Application based on Dynamo and Python to enable generation of multiple design iterations for structure invert levels in highway projects. Helps reduce manual effort by 75%.

3D Terrain Intelligence using LiDAR

Solution integrates LiDAR and Near-Infrared (NIR) datasets with advanced analytics to generate high-resolution 3D insights on terrain and surface characteristics. This enables precise mapping of complex and challenging geographies within project boundaries, significantly enhancing planning accuracy and execution efficiency.



Project Management

Integrated Project Management System (IPMS)

An app-based solution enables real-time capture of daily site progress, seamlessly integrating field data into project schedule management systems. With data visualisation powered by Power BI, it provides dynamic tracking of schedule performance, including real-time updates to the critical path and key performance indices, enhancing decision-making, transparency, and execution control.

EPPM for Project Planning and Monitoring

An Enterprise Project Portfolio Management (EPPM) platform standardises project scheduling and monitoring, enabling automated schedule creation, integration of contractual milestones, and early risk identification - improving stakeholder coordination and overall schedule reliability.

Contract Life-cycle Management System

End-to-end digital contract life-cycle management system captures and tracks all correspondence, reports, variations, disputes and client requests — enabling timely follow-ups, real-time visibility and stronger commercial control.



Construction and Productivity

Asset One

Data management platform for plant and machinery, including integration of weighbridges' data with purchase orders or invoices and IoT data for monitoring fuel consumption and equipment utilisation.

Robotic Rebar Cage Manufacturing

Specialised set-up with programmed and software controlled robotic arms for manufacturing of rebar cages used in precast concrete works in High-Speed Rail project. Helps improve productivity of activity, quality of output and manpower reduction of more than 80%.

Precast Works

Solution for effective tracking and monitoring of pre-cast segment works, with analytics for trend analysis and identification of deviations from benchmark levels. Helps improve productivity by more than 40%.

Drone-based Tower Inspection

Drone-based photogrammetry, creating accurate 3D models, maps, or measurements from overlapping photographs, for inspection of power transmission towers during construction. Helps generate detailed inspection reports identifying missing components and improving safety, efficiency and accuracy.

New solutions developed

Resource, Material Management and Safety

Intelligent Concrete Logistics Management

Digital monitoring of concrete movement and delivery cycles to improve coordination between batching plants and construction sites. Helps monitor and control diesel consumption in logistics.

Procure Swift

Online repository of procurement packages with digital approval process and real-time tracking of material status. Helps reduce manual effort and provides better control on material supply.

Vision analytics

An AI-enabled monitoring system integrated with existing CCTV networks automatically detects PPE non-compliance, generating real-time alerts and dashboard insights — enabling proactive safety management and stronger compliance control.

VR-based Safety Training Modules

Immersive, multilingual VR training modules designed for activity-specific scenarios, e.g., track works in railway construction-to enhance worker learning, retention, and on-site safety performance.

Quality and Others

Quality Sanyog

Platform for end-to-end tracking and monitoring of quality-related observations or non-compliance, training, and related processes.

Commissioning App

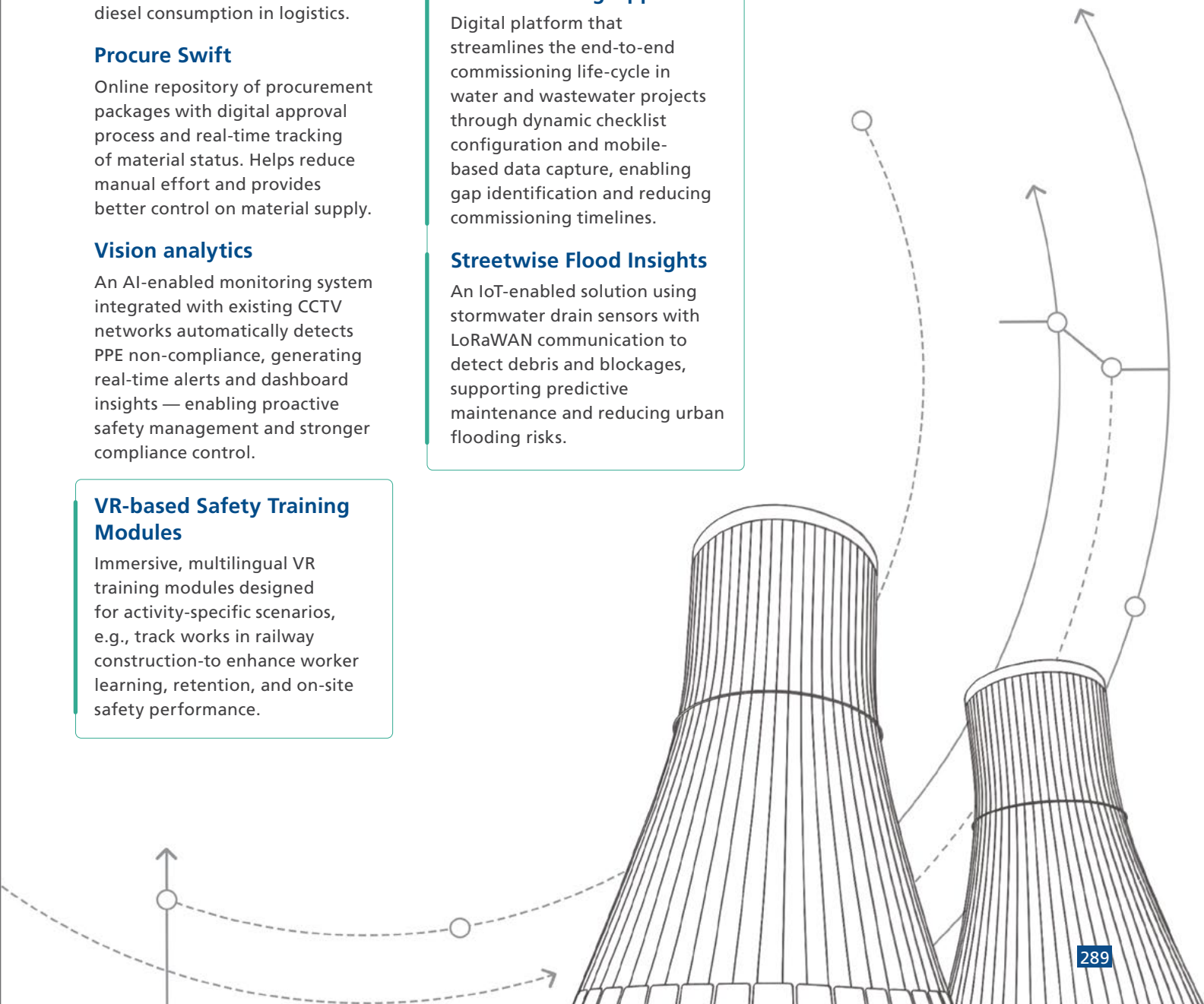
Digital platform that streamlines the end-to-end commissioning life-cycle in water and wastewater projects through dynamic checklist configuration and mobile-based data capture, enabling gap identification and reducing commissioning timelines.

Streetwise Flood Insights

An IoT-enabled solution using stormwater drain sensors with LoRaWAN communication to detect debris and blockages, supporting predictive maintenance and reducing urban flooding risks.

L&T Eye

Enterprise data platform leveraging integrated IT and OT Data for visualisation and analytics. It hosts more than 180 business dashboards with role-based access, advanced security and exception-based reporting.



Hi-Tech Manufacturing: Digital and Automation

L&T is leveraging automation, robotics and advanced digital technologies to elevate the business performance of its Hi-Tech Manufacturing segment. These innovation-led efforts, enhance productivity, optimise resource utilisation, improve product quality and safety, and accelerate delivery timelines. At the same time, they enable the development of advanced product features and solutions, strengthening value creation for customers.



Engineering

Drawing Comparator

Smart tool to visually compare revisions of technical drawings with high accuracy and speed, reduces manual effort in verifying revisions in drawings.

PCR Automation

A dedicated automation tool developed within the Siemens NX platform to streamline Plate Cutting Drawing preparation. The tool automatically extracts the true shape of the plate directly from the 3D model and intelligently applies predefined offsets and tolerances.

Canvas Mapper

A full-featured desktop application to create interactive technical drawings, combining powerful canvas-based annotation capabilities with intelligent data management through a synchronised parts table.



Quality, Safety and Other Applications

Valmiki IETM

Interactive Electronic Technical Manual (Level 4) provides maintainers, technicians, and operators with an intuitive platform to read, search and interact with S1000D-based technical manuals.

AGASTYA

A web-based platform that automates S1000D documentation workflows through a suite of 15+ specialised tools — streamlining repetitive tasks, ensuring compliance, and enhancing productivity for documentation teams.

Proximity Warning Alert Systems (PWAS)

Proximity Warning Alert Systems (PWAS) for equipment are active safety solutions designed to prevent collisions between heavy machinery and personnel or other vehicles. They work by creating an invisible 360-degree 'safety bubble' or 'zone' around the equipment using advanced sensors, radar or cameras.

Inspect Before Use (IB4U)

Mobile app for checklists before starting work, enabled with standard checklists, evidence uploading and centralised data management for tracking and analytics.

PTW Document Number Generation System

Automated online issuance of unique, time-stamped Permit To Work numbers linked to work type and location and integrated with approval workflows.

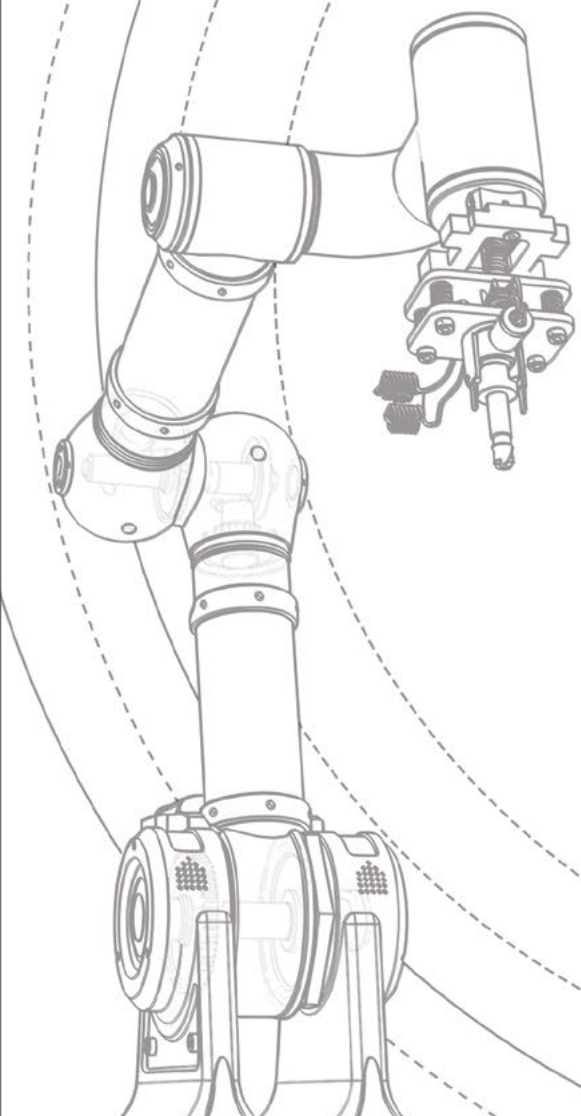
VR Glass-based Safety Training Programme

Immersive Virtual Reality modules to simulate hazards, help boost engagement and knowledge retention.

Live Person-On-Board (POB) Display

Automated real-time in/out punches using time recording terminals for barge personnel to ensure accurate tracking of people working in restricted areas.

New solutions developed



Equipment Productivity and Utilisation

Automated magnetic crawler for QC

A customised crawler developed, with wireless control and fail-safe systems, for automated ultrasonic testing of circumferential welds in pressure vessels. Helps eliminate the manual effort while reducing the testing time.

Specialised welding head with auto positioning

A fully integrated system combining the welding head, with a profile sensor and controller, developed to address manual welding challenges in hexagonal mesh. End-to-end automation, starting with line-by-line mesh scanning and precise positioning of welding head followed by auto welding cycles, greatly improves consistency and efficiency.

Mechanised crawler for blind grinding of stud seams

A crawler developed to automate the grinding of weld seams in nuclear reactor header section. Mechanised arm has ability to enter small pipes from inside and position grinding wheel accurately. Borescope at the other end of pipe checks the extent of flushing. The crawler can be controlled remotely by the operator and helps significantly improve the productivity of the process.

Tube Bundle Insertion without crane

A custom-made trolley system developed to perform tube bundle insertion in heat exchanger. Six degrees of freedom enable precise vertical and lateral adjustments, while modular configuration enables adjustability to suit different heat exchanger sizes.

Engineering and Design Innovation

Continuous improvement in productivity, output quality and design optimisation remains a core focus across L&T's engineering and design teams. These efforts enable efficient material utilisation, shorter construction timelines and reduced upfront and life-cycle costs, while minimising the environmental impact of the assets delivered.

Double T-Girder

Implemented in place of I-girders used in crossovers and sharp curves for elevated metro rail systems. Helps reduce on-site construction time and safety of operations.

Construction Stage Analysis in Tunnel Projects

Conventional analysis method applies all loads at once on the structure which may result in sub-optimal design and higher material requirement. Instead, construction stage analysis has been used in tunnel projects to study stress variations for each stage loading, enabling optimisation of the design and material requirement for formwork.

Automated Extraction of Column Coordinates

AutoCAD Macro integrated with a Python programme to extract column layout and automatically generate column frames in ETABS software. Helps reduce the manual modelling time by more than 70% and eliminate errors.

Reservoir Optimisation through GIS

GIS-based solution enables optimisation of earthen bund reservoir design by accurately analysing and identifying optimal earthwork quantities — resulting in significant reduction in earthwork volume and construction timelines.

Indigenisation of OHE Components

Overhead Electrification (OHE) systems in railway projects require specialised components such as suspension clamps, mast bands, cross arms and super masts. For the Mumbai-Ahmedabad High-Speed Rail project, these were originally planned for import from Japan. In response, the Transportation Infrastructure business undertook a focused indigenisation initiative, supported by detailed technical analysis, prototyping and collaboration with domestic manufacturing partners. This effort enabled local development of critical components, resulting in significant cost savings and substantial reduction in procurement timelines, while strengthening supply chain resilience.

Automated Parametric Modelling of Pump House Sump

A parametric modelling solution, developed using VBA and the OpenSTAAD API, automates the generation of reinforced concrete wall elements in STAAD-Pro using Excel-based inputs — eliminating manual modelling and reducing engineering hours by over 90%.

Automated Nodal Diagram to KML Conversion

A custom automated programme developed to convert nodal diagrams into KML format helps in direct extraction of pipeline geometry and label information from the nodal diagrams. Automation helped in significant reduction of engineering effort while standardised output could be easily integrated into GIS for use in future.

Design Optimisation in Lift Irrigation Projects

In a large-scale lift irrigation project, the WET business's engineering team optimised the intake channel design to eliminate the need for a cofferdam. Through detailed hydraulic analysis and evaluation of multiple design alternatives, the solution met all technical requirements while significantly improving constructability. This optimisation reduced construction time by over 30%, while also lowering manpower and resource requirements — demonstrating the impact of engineering-led innovation on efficiency and cost.



Tall Delivery Chambers

For an irrigation project involving 55-metre-high delivery chambers, the conventional construction approach was optimised through the adoption of slipform technology. Standardised large-diameter slipforms were deployed, along with an elevated structural steel platform with a monorail for maintenance access. This approach significantly improved construction productivity while optimising resource utilisation and reducing overall execution time.

Indigenous Large Water Management System

An indigenous large-scale water management system was developed for irrigation projects, integrating control valves with flow meters and remote terminal units for real-time monitoring and remote operation. This enables precise, equitable and crop-specific water distribution across multiple outlets, covering lakhs of hectares of cultivable land, enhancing efficiency, transparency and sustainability in water management.



Anode Quantity Reduction

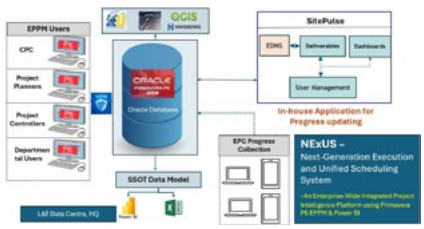
Sacrificial anodes are utilised for protection of offshore structures installed underwater. Alternate design considerations were utilised to achieve anode quantity optimisation and reduce the material requirement.

Optimisation of Liquid Relief System Design

Design of pressure safety valve and related piping, required for an offshore oil and gas project, was optimised based on process conditions, system layout and applicable hydraulic criteria. Helped reduce valve number and the piping size, thus reducing the material requirement.

Structural Design Update for Reduction of Offshore Duration

Living quarters modules, specialised accommodation units on offshore platforms, typically involve significant time and resource-intensive construction. To enhance efficiency, the L&T Energy Hydrocarbon - Offshore business's engineering team adopted the floatover installation method alongside a redesigned module configuration. This approach significantly reduced offshore construction duration and associated execution risks, while improving overall project efficiency and safety.



Alternate Method for One-Strut Failure Analysis

One-strut failure analysis is a critical step in designing redundancy in the design of earth retaining systems. Conventional method using 2D plan strain analysis results in a conservative design. The engineering team at Heavy Civil Infrastructure adopted an equivalent strut-waler stiffness concept, based on widely accepted research which resulted in reduction in strut quantity achieved by doubling the strut spacing.

Spread Foundation System

An automated Foundation Recommendation Report tool was developed to streamline pier and foundation selection, reducing manual iterations. For the Mumbai-Ahmedabad High-Speed Rail project, this led to a >50% reduction in design time, improving efficiency and consistency.

New Product Development

Primary Transfer Line Heat Exchanger

The Primary Transfer Line Heat Exchanger (PTLE), a critical subsystem in petrochemical cracker plants, has a limited global supplier base. Leveraging deep expertise in thermal design, hydraulics, and CFD analysis, along with close collaboration with the process licensor, L&T Heavy Engineering developed an indigenous PTLE design. This capability has enabled the Company's inclusion in the licensor's approved vendor list, strengthening self-reliance and competitiveness in a high-value, specialised segment.

Finger-Type Slug Catcher: Capability Expansion in Oil & Gas

To address growing demand for reliable slug-handling solutions in high-pressure gas pipelines, L&T's Heavy Engineering business developed a Finger-Type slug catcher in collaboration with a specialised engineering partner. Leveraging advanced gas–liquid–solid separation expertise, this solution strengthens the Company's capabilities in a complex, high-value segment.

Eco Series Hydraulic Press: Design Innovation in Manufacturing

L&T's Rubber Processing Machinery business developed an Eco Series hydraulic curing press with a common-cavity design, reducing component complexity compared to conventional multi-cavity systems. Integrated with IoT-enabled controls, the solution enhances operational efficiency, simplifies maintenance, and delivers improved performance and value for customers.

Offsite Construction

Conventional on-site construction methods often fall short of client expectations for speed and cost efficiency. In response, L&T is expanding the use of precast and prefabricated construction approaches, globally proven methods that enhance execution speed and cost control. Building on its long-standing experience in these techniques, the Company is now driving engineering-led innovation to redesign and extend precast and prefab solutions into areas not traditionally explored, unlocking new efficiencies in project delivery.

Cantilever Pier Cap

Precast cantilever pier cap solution was adopted to accelerate execution, improve safety and quality, and enable efficient execution in metro rail projects.

Station Single-Piece Pier Arm

A single-piece precast pier arm was designed in-house to replace conventional in-situ construction method. Controlled precast production reduced shuttering, cycle time, site congestion and work-at-height risks, enabling safer and faster execution.

Valve Chambers in Water Projects

Valve chambers are typically constructed based on valve size and specific vendors' requirements. A common, standardised valve chamber was designed and constructed as a pre-cast structure helping reduce the construction time as well as resource requirements.

Power Supply Installation Systems

Implementation of pipe sections with cylindrical foundations for power supply infrastructure equipment in railway networks was done. This was to replace conventional built-up steel structures and open foundations and thus reduce construction timelines on-site.

Duct Bank

A duct bank is used to protect underground electrical, fibre optic and communication cables in industrial set-ups and data centres. A pre-cast duct bank was developed for data centres with modular design to replace conventional in-situ construction. Helps reduce the construction time while enhancing the quality of the output delivered.

PPVC Guard House

Building on earlier use of precast walls, L&T adopted prefabricated, prefinished volumetric construction to deliver the entire guard house structure — except for floor screed — in a single installation. This approach reduced on-site construction time by over 50%, with corresponding reductions in manpower and equipment requirements, while significantly enhancing quality and consistency of output.

AI at L&T: From Experimental Steps to Organisational Leap

AI adoption at L&T is described as a transition from cautious exploration to confident, organisation-wide leaps. The emphasis moves from 'use cases' to institutional capability. At L&T, AI adoption began several years ago with targeted solution development, followed by iterative refinement. The Company is now embedding these solutions into core business processes, transitioning from experimentation to enterprise-wide deployment.

Concrete AI

The process of finalising concrete mix proportions typically requires considerable time and effort due to the need for multiple trial mixes and performance evaluations. An AI-based application has been developed that predicts compressive strength based on material composition and recommends optimised mix proportions for targeted levels of strength and durability. This significantly reduces design cycle time and dependence on extensive laboratory trials.

Crawler for Automated Liquid Penetration Testing

An AI-powered inspection crawler developed to overcome the difficulty of inspecting welds in long cladded tubes, where full-length non-destructive testing is nearly impossible. This crawler travels autonomously inside the tube, identifies defects and sizes them using AI vision analytics.

Model for Weld Visual Inspection

A model deployed on a Real-Time Operating System for in-process weld defect detection in heavy engineering equipment. Continuous improvement is enabled through a dedicated data annotation and model training pipeline.

Earthing Optimiser

An AI-driven software that automates earthing system design by integrating AutoCAD and CYMGRD. It generates optimised BOQs through iterative simulations, enabling engineers across experience levels to handle complex site conditions.

Overhead Catenary System Electronic Bill of Material (OCSEBOM)

An AI/ML-driven fully autonomous software developed for end-to-end Overhead Electrification HE BOQ/BOM generation from PDF Layout Plan drawings in railway electrification project. The software uses high-end object detection models to identify and capture various data present in drawings, do meaningful correlation, validation and calculations, and then generate BOQ/BOM reports.

Accelerated Material Take-off Generation

Automated data extraction from Piping and Instrumentation Diagram (P&ID) using AI/ML for material take-off generation, including detection of components, flood-fill and skeletonisation, vision language models (VLMs) reasoning and component mapping. Engineering effort reduced by 90%, helping in bidding stage as well as in execution.

Collectively, these applications demonstrate a clear shift from isolated AI pilots to scalable, high-impact solutions delivering measurable gains in productivity, accuracy and turnaround time across the project life-cycle.







L&T Cognitive Services: AI-led Transformation

The Company launched L&T Cognitive Services (LNTCS) in 2024 to drive enterprise-wide adoption of AI and embed intelligence across the project life-cycle. Initial deployments focused on pre-bid support, contract analysis, workforce planning and equipment optimisation, thereby compressing multi-week processes into minutes while delivering measurable gains in cost, time and productivity.

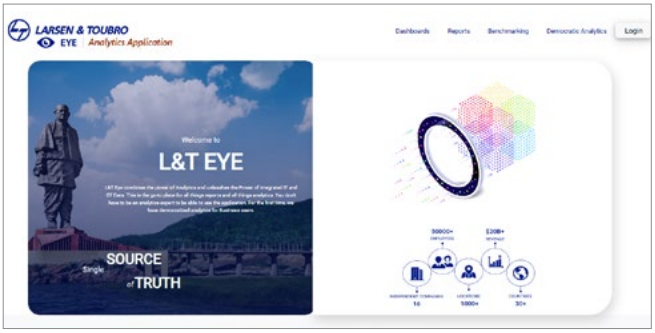
Building on this foundation, AI adoption has expanded across core business functions. In supply chain management, AI-enabled sourcing intelligence enhances vendor discovery, risk assessment and performance tracking, while providing real-time insights into pricing and market trends. In engineering, AI-driven solutions interpret 2D P&ID drawings to automatically extract quantities, reducing estimation effort by up to 75% and significantly improving speed and accuracy.

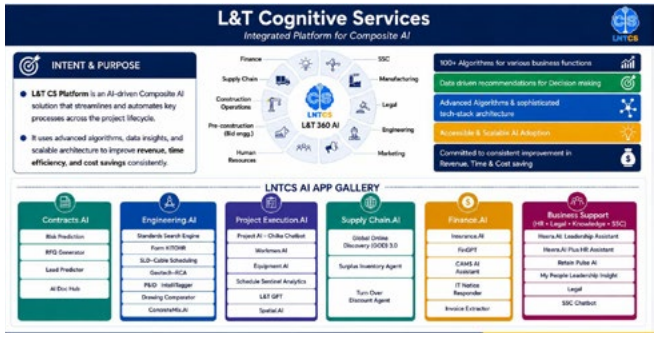
LNTCS has introduced a secure, enterprise-grade conversational platform integrated with Teams Copilot. This enables employees to retrieve, summarise and generate context-aware insights from vast repositories of project documents, contracts, schedules and engineering standards, accelerating decision-making and making the workforce increasingly 'AI-native'.

Beyond process automation, LNTCS is investing in next-generation capabilities spanning machine vision, robotics and drone-based systems. A dedicated Centre of Excellence is developing hardware-agnostic AI intelligence to power autonomous systems, enabling use cases such as automated quality inspections, real-time progress tracking and proactive safety monitoring, thus, marking the next phase of digital transformation.

AI systems suffer from various biases and other issues. To ensure reliability and mitigate hallucination, AI models in LNTCS have been grounded on curated enterprise data sources. Retrieval-Augmented Generation (RAG) techniques are employed, where responses are generated based on verified internal knowledge repositories. All solutions have been deployed within the Company's secure tenant and integrated with enterprise-grade authentication mechanisms, including Single Sign-On (SSO), ensuring confidentiality and controlled and role-based access. To manage costs effectively, LNTCS has implemented usage caps and real-time monitoring dashboards for each AI application. These dashboards provide visibility into consumption spikes, enabling optimisation of resource utilisation.

Looking ahead, L&T is advancing towards **Agentic AI** as the next frontier, leveraging organisational knowledge graphs to enable an ecosystem of intelligent, self-orchestrating agents across functions such as supply chain, finance and shared services. By shifting from application-centric to role-centric operations, these always-on AI agents will augment human expertise and drive step-change improvements in productivity, consistency and cost efficiency across the enterprise.





L&T Business Excellence Model (LTBEM): Strengthening Performance and Organisational Capability

LTBEM represents the Company's approach to embedding excellence across the enterprise. As a cornerstone of L&T's quality and transformation journey, it reinforces a strong commitment to continuous improvement, innovation and stakeholder value creation. The model provides a comprehensive framework spanning leadership, strategy, execution, people, partnerships and societal impact, thus enabling businesses to assess maturity, strengthen processes and drive sustained performance.

Aligned with evolving global benchmarks, LTBEM continues to be refined in line with the enhanced EFQM 2025 Model. In 2025, 18 businesses participated in the assessment cycle, supported by an evaluation framework comprising 35 external assessors and 66 trained internal assessors. Conducted over 100 days across 20+ project sites, the process delivered a rigorous and objective assessment of organisational maturity, execution effectiveness and overall business performance.

Recognising assessors as critical enablers of the model's credibility, L&T continues to invest in capability-building. In 2025, 84 new assessors were certified, expanding the internal pool to over 200 certified professionals, thereby strengthening institutional expertise and knowledge transfer across businesses.

The **2nd edition of the LTBEM Awards**, held during the 9th Quality Summit in Kolkata in November 2025, marked the culmination of the assessment cycle. Driven jointly by the Quality Council and Corporate HR, the initiative reinforced a structured, enterprise-wide approach to institutionalising business excellence.

Beyond a performance framework, LTBEM acts as a catalyst for learning and transformation, embedding a culture of continuous improvement while delivering superior, long-term value to customers, partners and investors.





Pi-Awards: Advancing Enterprise-wide Innovation at L&T

The Pi-Awards are L&T's enterprise-wide platform for identifying, scaling and institutionalising innovation as a driver of long-term value creation. Anchored in the belief that innovation is continuous and cumulative, much like the mathematical constant **π**, the Awards serve as a structured mechanism to convert individual ingenuity and project-level breakthroughs into organisational intellectual capital. By recognising high-impact initiatives across Projects, Products, Services and ESG, the Pi-Awards catalyse the systematic diffusion of new ideas, technologies and practices across businesses. As a company-wide initiative, the platform strengthens L&T's innovation pipeline, embeds a culture of problem-solving and learning, and enables the repeatable application of proven solutions enhancing productivity, sustainability outcomes and competitive differentiation across project execution, manufacturing, services and enterprise processes.

The 2025 edition brought together 1,108 teams and over 5,000 employees, with the top 12 teams earning a spot at the Grand Finale. Innovations were assessed by an independent external jury comprising leading academic and industry experts, reinforcing the robustness, objectivity and governance of the process.

Winning Innovations from Pi-Awards 2025

Innovation	Business	Category
Design and development of indigenous non-regenerative CO_2 scrubbing system	Heavy Civil Infrastructure	Product
Development of trenching and pipe-laying machine	Construction Equipment and Industrial Product Design Development	Product
Development of smart test jig for testing electronic cards	Precision Engineering and Systems	Product
A novel methodology for precasting and erection of special spans in High-Speed Rail project	Heavy Civil Infrastructure	Project
Solutions for gearbox failures in CMRL Phase-2 project	L&T Geostructure	Project
Monolithic precast breakthrough for seismic-resilient framed structures	Building & Factories	Project
NAVIS-TEC 'Steering Safe Paths'	Heavy Civil Infrastructure	Service
Enhancing water supply scheme efficiency through innovative design using AI, GIS and optimisation algorithms	Water & Effluent Treatment	Service
Digital Value Platform - Asset One	Divisional Corporate – L&T Construction	Service
Green solutions and pavement strategies for reducing GHG emissions and enhancing environmental sustainability	Transportation Infrastructure – Roads	ESG
Integrated process innovations to achieve water neutrality and GHG emission reduction at MAHSR C6	Transportation Infrastructure	ESG
Eco Journey: Process-based approach to implement green initiatives	Heavy Engineering	ESG

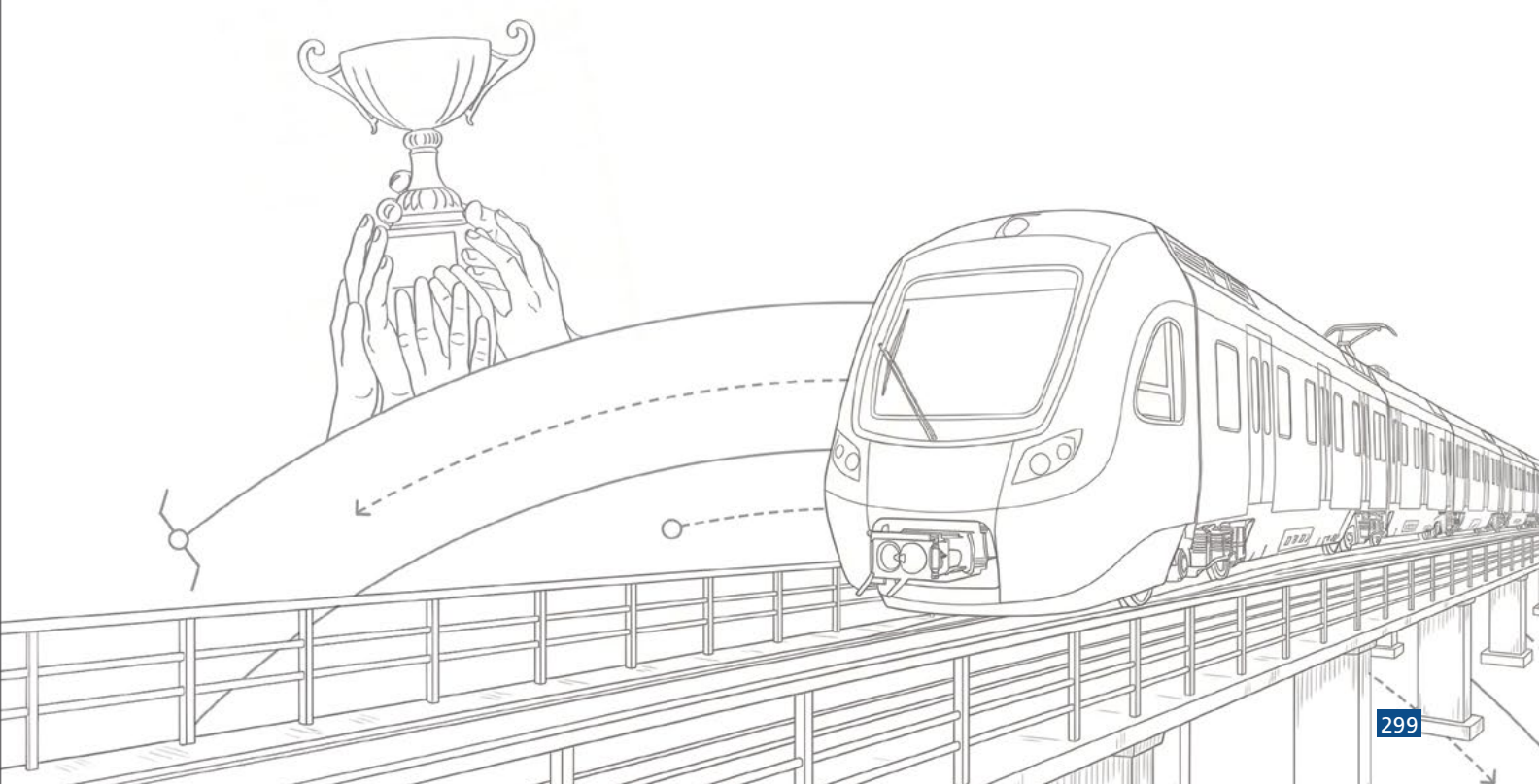
Innovation as lever for sustainable growth

Looking ahead, L&T will continue to strengthen its intellectual capital as a core driver of long-term value creation and competitive advantage. The Company's focus will be on deepening and scaling proven innovations across digital technologies, advanced analytics and engineering solutions, enabling their systematic adoption within core business processes. This approach aims to deliver sustained improvements in productivity, quality, execution certainty and operational resilience, while supporting lower environmental footprints and safer project outcomes.

In parallel, L&T will continue investing in building organisational capability through targeted upskilling, cross-functional learning and knowledge integration, ensuring that innovation is embedded not only in tools and technologies but also in people and processes. By institutionalising a culture of continuous innovation and leveraging its strong engineering expertise, the Company seeks to deliver differentiated, high-value solutions to customers, strengthen stakeholder trust and contribute meaningfully to economic and societal development over the medium and long term.







SOCIAL AND RELATIONSHIP CAPITAL

At L&T, social and relationship capital represents the trust, credibility and depth of relationships the Company has built with communities, customers, employees, supply chain partners, governments and society at large. These relationships, nurtured through transparent engagement, ethical conduct and shared value creation, are integral to business resilience, stakeholder confidence and long-term value creation. By embedding social responsibility into business strategy and fostering mutually beneficial partnerships across the value chain, L&T strengthens its licence to operate while enabling sustainable growth.







Key Highlights of FY 2025-26

19,40,601
CSR Beneficiaries

9.1
Customer Satisfaction Score

Strategy Linkage[1]

SO-III SO-IV

SE-2



SDGs Impacted



Material Topics

- Community Relations
- Labour Practices and Human Rights
- Sustainable Supply Chain
- Customer Satisfaction
- Water and Waste Management
- Land Use and Ecosystem
- Geopolitical Risks
- Business Ethics

[1] For details, refer to 'Business Model and Strategy' section of this Report.



Building India's Social Infrastructure

L&T's approach to social capital creation is rooted in inclusive growth and nation-building, with focused interventions in water, sanitation, health, education and skill development. Oversight and strategic direction of CSR programmes are provided by the CSR & Sustainability Committee of the Board. Implementation is driven by decentralised CSR teams across business units and project locations, working closely with non-governmental organisations, government agencies and local partners. This multi-stakeholder approach ensures relevance, scale and sustainability of social interventions. L&T aims to promote inclusive growth by empowering communities, minimising disparities and enabling them to achieve their full potential.

Beneficiaries across thrust areas

8,64,649
Water and Sanitation

7,98,848
Health

2,60,419
Education

16,685
Skill Building

L&T's CSR ecosystem is driven by a structured and collaborative approach: the Corporate CSR Team aligns all programmes with Board-approved guidelines while engaging with its partners; location-based CSR teams assess local needs and implement community-specific interventions; L&T Health Centres and Mobile Health Units deliver affordable healthcare to underserved populations; Prayas Trust supports social welfare initiatives led by employees' spouses and women employees; L&Teering gives employees a platform to volunteer for community development; and the L&T Public Charitable Trust independently implements CSR initiatives in education, health, water and livelihoods in line with the Company's CSR framework.

Need Assessment and Community Engagement

- All CSR programmes commence with structured need assessments, including baseline studies and stakeholder consultations with communities and local authorities. It helps to identify priority areas and align interventions with local socio-economic needs.
- Ensuring the sustainability of initiatives, even after handover by the Company, is critical to their long-term success. This is enabled through the active involvement of communities and local government bodies in the planning and implementation of initiatives to strengthen institutions and ensure continuity beyond L&T's direct involvement.

Unnati: Integrated Community Development Programme

Unnati is the Company's flagship programme. It commences with watershed management, based on the principle that access to water is fundamental to enhancing quality of life. After ensuring adequate water availability at the location, initiatives in health and sanitation, education and skill development are implemented in a phased manner, aimed at achieving comprehensive improvement in quality of life.

Since 2014, Unnati has successfully reached 30,092 households and conserved 46,035 hectares of land across the states of Rajasthan, Maharashtra and Tamil Nadu. In FY 2025-26, L&T launched Nayi Disha, a programme aimed at driving education and health-led development across the states of Jharkhand, Bihar and Odisha. These states are key source of contractual workers engaged at various EPC project sites of L&T. Nayi Disha project reached an additional 4,131 households in Odisha, Bihar and Jharkhand.

Watershed Management

Water security poses a significant challenge in India, where increasing population pressures and environmental degradation jeopardize livelihoods, food security and health-particularly in rural areas. In response, L&T has implemented a comprehensive strategy for watershed management that combines the restoration of existing structures along with the creation of new infrastructure to ensure year-round water availability for communities.

L&T's initiatives are concentrated in water stressed districts such as Aurangabad, Jalna and Ahmednagar in Maharashtra, Rajsamand in Rajasthan and Coimbatore in Tamil Nadu. These regions have experienced declining groundwater levels, land degradation and inadequate management of shared resources, which adversely affect both agriculture and livelihoods.

Communities are involved in the planning and execution of water and soil conservation strategies, including check dams, anicuts, gully plugs, contour trenches and farm bunds. The establishment of native species of trees and shrubs also contributes to reducing top-soil erosion and improving moisture retention, resulting in enhanced crop yields and increased fodder availability. As a result, farming communities in these areas have been able to cultivate second and even third crops each year, with lower agricultural expenses and additional incomes through sustainable livestock rearing.

Village Development Committees (VDCs) are pivotal in maintaining these initiatives. These community-driven organisations formulate by-laws for resource utilisation, collect maintenance fees and foster ownership and governance of restored commons. VDCs also link villagers to government programmes, enhance skills through expert training and improve market access.

By employing this ecosystem approach, L&T's watershed projects have markedly enhanced water security, agricultural productivity and rural livelihoods - ensuring increased income, savings and year-round food availability for participating households.

From Vulnerability to Resilience: Bagunda, Kumbhalgarh Block, Rajasthan

Located in the Kumbhalgarh block of Rajsamand district in Rajasthan, Bagunda village, home to 98 families, faced persistent challenges including water scarcity, low and uncertain farm incomes, poor sanitation and limited livelihood opportunities, particularly for women. Agriculture was largely rain-fed, livestock productivity was constrained and community-level planning mechanisms were minimal.

In 2019, L&T's Unnati programme was introduced with the formation of a VDC to enable participatory planning and implementation.

Integrated interventions have since strengthened livelihoods and infrastructure. Development of over 125 acres of community pastureland improved fodder availability, benefiting 65 livestock-owning families and reducing annual expenses by ₹ 4,000 - ₹ 8,000. Agricultural diversification through horticulture and vegetables enhanced income and nutrition, with meadow orchards generating about ₹ 55,000 annually per family and vegetables adding ₹ 15,000.

Women's empowerment has been a key outcome, with six Self-Help Groups (SHGs) enabling investments in income-generating activities such as goat rearing, livestock and small enterprises. Infrastructure improvements including repair of three wells, construction of 40 household toilets and upgrades to the Anganwadi and school water facilities-have enhanced access to water, sanitation and early childhood services.

Today, Bagunda reflects the impact of community-led development, with household incomes rising by 60-70% (₹ 70,000 - ₹ 78,000 annually per family). The village has also seen stronger social cohesion and resilience, demonstrating the effectiveness of integrated, people-centric interventions.

Agriculture

In India, over 80% of farmers operate on small and marginal landholdings (up to 5 acres), often resulting in low productivity, limited access to quality inputs, dependence on rainfall and constrained market linkages. L&T supports these farmers through a holistic, life-cycle-based approach covering pre-production, production and post-production stages.

Interventions begin with strengthening water availability, followed by measures to improve soil health. Farmers are organised into groups for crop planning and are introduced to practices such as inter-cropping and multi-cropping to enable year-round cultivation. Water-efficient technologies like drip irrigation and mulching are promoted to address resource constraints.

A strong focus is placed on sustainable agriculture. Natural farming practices are encouraged, with farmers trained to prepare organic inputs using locally available resources, reducing input costs and dependence on chemicals. Knowledge transfer is facilitated through Farmer Field Schools, where demonstration-based learning enables peer-to-peer adoption of best practices. Crop demonstration plots on previously uncultivated land further support uptake and productivity improvements.

To enhance resilience and income diversification, kitchen gardens are promoted for household nutrition and supplementary income, while horticulture orchards provide seasonal revenue streams. Together, these interventions strengthen productivity, reduce risks from climate variability and improve farmers' livelihoods.

Indirabai's Kitchen Garden, Georai Khurd: Small Plot, Big Impact

In Georai Khurd village, Indirabai's 0.025-acre multi-layer kitchen garden is a compelling example of sustainable, household-level transformation. A farmer by livelihood, she earlier relied on open-field cultivation, where exposure to chemical inputs from nearby farms posed concerns for health and food safety.

Through L&T's Unnati programme, Indirabai received training in multi-layer farming, vermicomposting and efficient water management. She subsequently converted a small plot near her home into a diverse, chemical-free kitchen garden.

Today, the garden produces 10-20 kg of vegetables each month-improving household nutrition while reducing expenses by up to ₹ 6,000. Beyond direct benefits, her initiative has encouraged neighbouring families to adopt similar practices, creating a ripple effect within the community. As Indirabai shares, "As long as we are here, our children and grandchildren will only eat organic vegetables."

This intervention reflects how integrated support across water, soil and farming practices can strengthen food security, reduce costs and enable sustainable livelihoods at the grassroots level.





Bio Resource Centres: Enabling Localised, Sustainable Agriculture

In the rain-fed villages of Kumbhalgarh block, Rajsamand district in Rajasthan, small and marginal farmers have traditionally depended on distant markets for seeds and chemical inputs, raising costs and limiting control over farming decisions.

To address these challenges, Unnati established four Bio Resource Centres (BRCs) during FY 2025-26 as decentralised hubs supporting nearly 600 farmers. These centres provide access to quality vegetable seedlings, bio-inputs, demonstration of organic practices and platforms for knowledge sharing. Women's participation has been actively enabled through their involvement in nursery management and BRC operations.

One such centre is led by Dhapu Bai, a 58-year-old farmer from Awali ki Bhagal village. Previously reliant on seasonal agriculture with limited income stability, she built her capabilities through Farmer Field Schools, gaining skills in organic farming, nursery management and record keeping. She now manages the village BRC, producing vegetable seedlings using shade-net nurseries and pro-tray technology, along with preparing bio-inputs such as Jeevamrit.

In FY 2025-26, Dhapu Bai produced nearly 15,000 tomato and chilli seedlings, supplying around 80 farmers with affordable, high-quality inputs and practical guidance. Her efforts generate an additional annual income of approximately ₹ 33,000 while promoting the adoption of sustainable farming practices across neighbouring villages.

Today, the BRC functions not only as an input centre but also as a community learning space where farmers exchange knowledge in organic agriculture. This ecosystem is further strengthened by trained local volunteers 'Krishi Mitras' / 'Vasundhara Sevaks', who support farmer training, promote soil and water conservation and connect communities with government schemes and resources.



Nursery Preparation in BRC



Pro-Tray Nursery in BRC



Multi-Cropping Farm

Antarwali Khandi: From Water Scarcity to Resilience

Antarwali Khandi village in Paithan taluka, Chhatrapati Sambhajinagar district, Maharashtra, has long faced chronic water scarcity and climate variability. Agriculture was entirely rain-dependent, with repeated droughts depleting groundwater, reducing farm productivity and triggering distress migration. Women bore a significant burden, spending hours fetching water, with tanker supply remaining the primary source of drinking water until 2020.

To address these challenges, L&T's Unnati programme implemented a community-led water conservation initiative, supported by local leadership. Pandurang Walhure, serving as Jalmitra and Vasundhara Sevak, played a key role in mobilising community participation and strengthening local governance. Integrated interventions, including river deepening, repair of percolation tanks, construction of bunds and creation of recharge structures and farm ponds, resulted in conservation of 8,648 lakh litres of water. This led to year-round water availability in wells and eliminated dependence on tanker-based supply.

Improved water security enabled farmers to adopt better crop planning, water-efficient irrigation and sustainable practices, restoring productivity and incomes while reducing women's drudgery. Community institutions such as VDCs, SHGs and Farmer Producer Organisations (FPOs) further strengthened access to finance, government schemes and market linkages.

Today, Antarwali Khandi reflects a shift from vulnerability to resilience-driven by community ownership, strengthened livelihoods and empowered local leadership.

Onion Dryer Unit: Reducing Losses, Increasing Income

In Chambharwadi village, Nagzari cluster of Jalna district in Maharashtra, onion cultivation is a primary livelihood for small and marginal farmers. However, the absence of storage and processing facilities meant that produce had to be sold immediately, often at distress prices, while significant quantities were lost due to high moisture and inadequate storage.

Recognising this gap, the 3 members from Jijamata Mahila Bachat Gat Self Help Group (SHG) , with facilitation from L&T's Unnati programme, established a renewable energy (RE)-based onion dryer unit. The group coordinated with a manufacturer and accessed bank financing to set up the unit, enabling controlled moisture reduction while preserving quality and nutritional value. This extended the shelf-life of onions from a few weeks to several months.

In FY 2025-26, the group procured 11 tonnes of onions directly from village farm gates at market rates, reducing farmers' transport burden. By processing and selling dried onions during the off-season, they have able to secure better prices while minimising post-harvest losses. Following loan repayment, members now earn an additional ₹ 40,000 per month for four months annually, strengthening both household incomes and women's economic agency.

As shared by Savitribai Dighule of the SHG, "Earlier, we had to sell onions immediately after harvest at very low prices and many would spoil. With the dryer unit, we can store and sell at better rates, increasing our income and opening new opportunities for our group."

Livestock Development

Livestock rearing plays a critical role in strengthening rural livelihoods and acts as a key safety net during climate-related shocks when crop income becomes uncertain. However, challenges such as fodder scarcity, water stress, limited access to affordable credit, veterinary services and modern management practices often constrain its potential.

Under L&T's interventions, farmers are trained in improved livestock management covering animal health, vaccination, nutrition (including silage preparation), hygiene, breed-specific care and shelter management to enhance productivity and reduce losses. Linkages with government schemes and veterinary services further improve access to healthcare and infrastructure support for poultry and goatery units. VDCs support sustainable management of pasturelands, while SHGs enable access to affordable credit for livestock expansion and infrastructure development such as sheds. These efforts collectively strengthen income diversification and enhance household resilience by reducing dependence on a single livelihood source.





Livelihood Transformation through Water Security

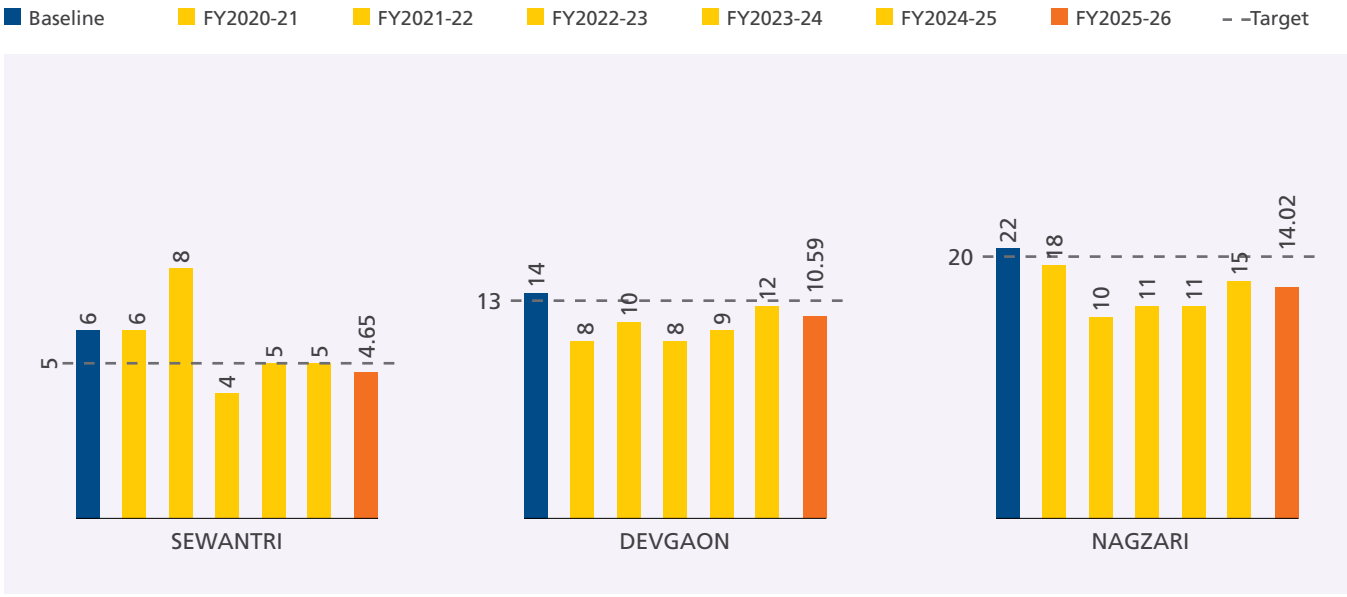
Antarwali Khandi, a drought-prone village in Paithan taluka, Maharashtra, has long depended on rain-fed agriculture. For farmers like 60-year-old Vitthalrao Hande, farming and dairy once provided a stable livelihood, but erratic rainfall, groundwater depletion and rising input costs gradually turned agriculture into a high-risk activity. Repeated crop failures, fodder scarcity and mounting debt forced him to rely on wage labour and small supplementary activities, with little income stability.

Through L&T's Unnati programme, targeted water conservation measures, including farm bunding, a cement check dam and nala deepening, were implemented to improve water retention and groundwater recharge. Over time, these interventions restored year-round water availability in wells.

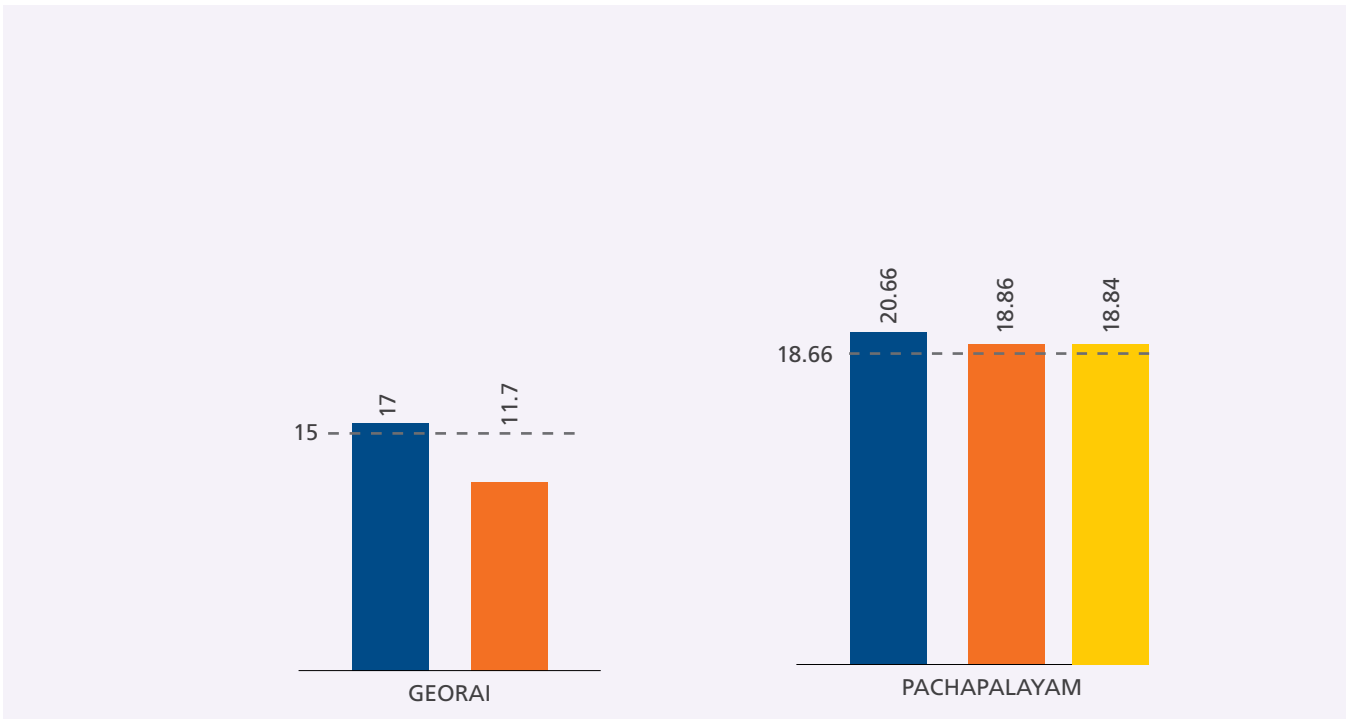
With assured irrigation, Vitthalrao revived fodder cultivation and diversified cropping, reducing costs and improving farm output. He subsequently expanded into dairy farming, supported by Unnati's livestock management guidance. Today, he owns 11 Jersey cows producing around 140 litres of milk daily, generating approximately ₹ 1.68 lakh per month with a net income of about ₹ 1 lakh.

His sons are now engaged in the dairy enterprise, eliminating dependence on wage labour and stabilising household income. Vitthalrao's journey demonstrates how water security can unlock livelihood diversification, restore agricultural confidence and build long-term rural resilience.

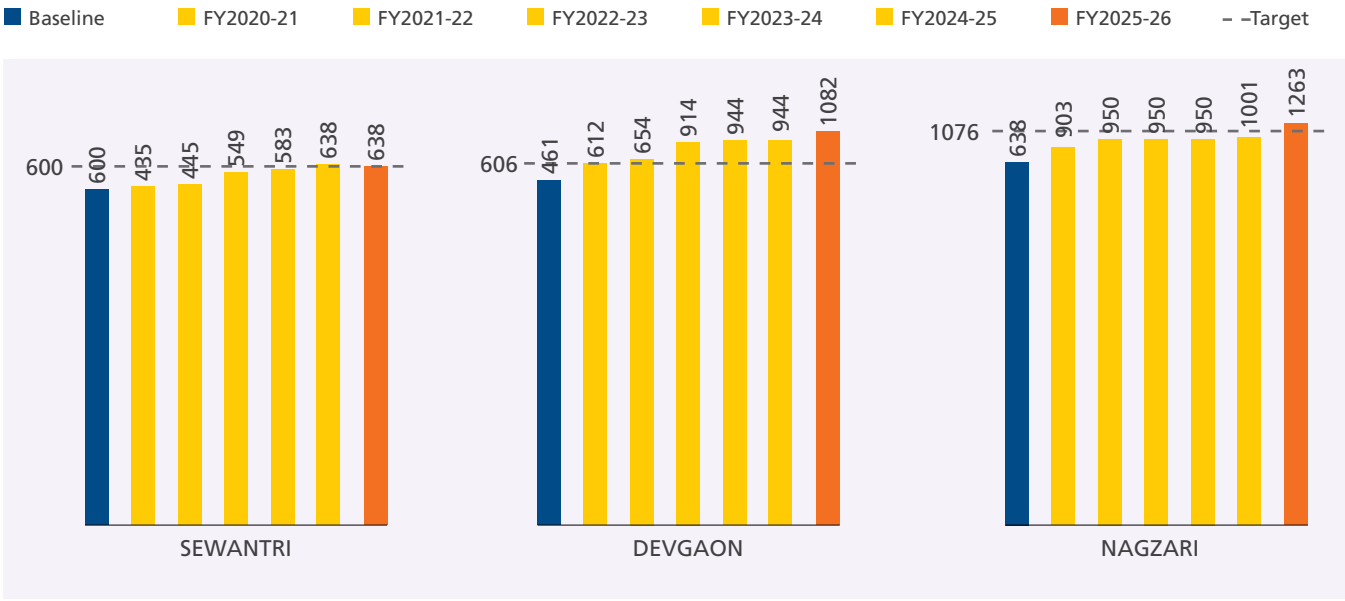
Depth of Water from Land Surface (metre)



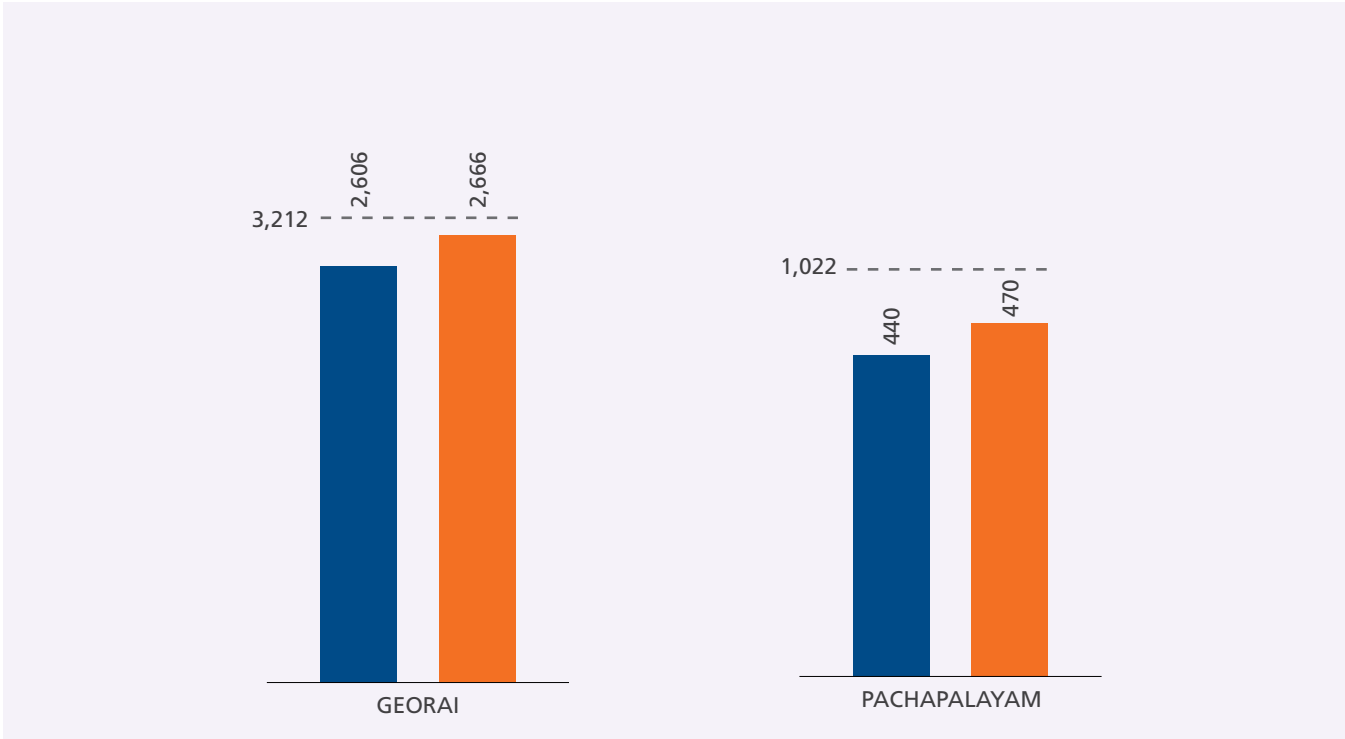
Georai in Maharashtra and Pachapalayam in Tamil Nadu are being newly reported from FY 2024-25. Unnati has been in Devgaon and Nagzari in Mahrashtra and Sewantri in Rajasthan since 2019-20



Increase in Irrigated Area (hectares)



Georai in Maharashtra and Pachapalayam in Tamil Nadu are being newly reported from FY 2024-25. Unnati has been in Devgaon and Nagzari in Mahrashtra and Sewantri in Rajasthan since 2019-20



Sanitation

Open defecation poses serious public health risks, contributing to malnutrition, morbidity and mortality. Addressing it requires not only infrastructure development but also behavioural change, particularly in relation to deep-rooted cultural norms around sanitation, ritual purity and menstrual hygiene. These efforts are essential for advancing gender equity, human rights and social dignity.

With improved access to water, L&T's interventions under Unnati expanded focus to sanitation, supporting the construction of toilets across 11 locations in India, including Maharashtra, Rajasthan and Tamil Nadu. Community participation was strengthened through engagement of local leaders to ensure ownership and sustained usage.

Youth from villages were trained in masonry, creating livelihood opportunities while ensuring long-term maintenance capacity. To date, 4,723 sanitation units have been constructed, with 2,984 households adopting toilet usage. As a result, 41 villages across the three states have achieved Open Defecation Free (ODF) status.

L&T continues to strengthen access to safe sanitation and promote sustained behavioural change to support long-term ODF outcomes across rural communities.



Strengthening School Sanitation and Learning Environment

An education status assessment in the Nagzari cluster identified critical gaps in school sanitation infrastructure affecting student attendance and learning outcomes. At Rajureshwar Vidyalay in Alamgaon village, Maharashtra, toilets were found to be dilapidated, compounded by water scarcity and poor hygiene conditions.

L&T initiated the construction of a comprehensive school sanitation block during FY 2025-26, benefiting 313 students from grades 5 to 10. The intervention was implemented in coordination with school authorities, the local community and other stakeholders.

Alongside infrastructure development, hygiene awareness activities were conducted through posters, wall paintings and sensitisation sessions, encouraging students to adopt proper sanitation practices and take ownership of the facilities.

The intervention resulted in safe, functional and gender-appropriate sanitation facilities, significantly improving hygiene conditions and creating a healthier learning environment, particularly for adolescent girls. It also promoted behavioural change and sustained usage, strengthening student well-being and supporting long-term educational outcomes at Alamgaon.



Improving Household Sanitation and Dignity

Mrs. Palaniammal, from a low-income household in Pachapalayam village, Coimbatore district in Tamil Nadu, depended on daily wage labour for livelihood. Like many families in her village, she previously lacked access to a safe and hygienic toilet, resulting in open defecation and associated challenges.

The absence of household sanitation facilities posed safety risks, particularly for women, including lack of privacy, exposure to unhygienic conditions and difficulties during early mornings and late evenings. It also increased vulnerability to sanitation-related health issues.

Under L&T's Unnati ICDP, a household toilet was constructed for Mrs. Palaniammal, along with guidance on hygiene and safe sanitation practices to support sustained behavioural change. This intervention was part of a broader initiative in the Pachapalayam watershed, where 150 household toilets were constructed during the year to improve rural sanitation coverage.

As shared by Mrs. Palaniammal, "Having a toilet at home has changed our daily life. We feel safer, more comfortable and maintain better hygiene. It has given us dignity and peace of mind."



Health

Rural India continues to face health challenges driven by nutrition gaps, food insecurity, cultural norms and limitations in public healthcare systems. Deep-rooted practices often restrict women from seeking care or prioritising their own health, contributing to malnutrition among pregnant and lactating women, adolescent girls and children, leading to underweight births and stunting.

L&T's Unnati programme addresses these challenges through livelihood enhancement, improved sanitation and platforms that encourage women's participation in health-related dialogue and behaviour change across age groups. Interventions focus on training women's groups and community volunteers to engage with Health Departments, Anganwadis, Panchayats and block-level officials to improve nutrition awareness, increase awareness of government health schemes, strengthen access to healthcare services and enhance linkages with frontline health workers such as ASHAs and ANMs.

With support from VDCs and SHGs, communities are guided on balanced diets, kitchen gardening, hygiene practices and the role of Anganwadis. These efforts have strengthened health-seeking behaviour and enabled communities to actively demand better healthcare services while co-creating local solutions with authorities.



Sumati's Journey from Hardship to Empowerment

Sumati, from Koyla village in Rajsamand district in Rajasthan, faced early marriage that ended her education and led to prolonged financial and social hardship. After a failed dairy venture left her family in debt, she worked as a daily wage labourer while managing household responsibilities.

Facing domestic violence, she returned to her parental home with her children, confronting social stigma but determined to rebuild her life. With the launch of L&T's Unnati programme in 2019, she was identified for her potential and selected as a Bal Sakhi.

Through training in child welfare, health communication and community facilitation, she now serves as a Bal Sakhi and ECCN Resource Person in her Panchayat. She has also resumed her education through open schooling with scholarship support, strengthening both her confidence and family stability.

As Sumati shares, "Today, I am studying again-not to prove anyone wrong, but to build a life for my children that no one can ever take away."

Suman's Role in Maternal Health Support

Suman, a Mahila Salaahkar (women's health counsellor), has been working across hamlets under the Hataji ka Gudda VDC since 2023, focusing on the health and nutrition of children (0-5 years), pregnant and lactating women and adolescent girls, with special attention to malnutrition and anaemia.

She identified Kamla Bai, a pregnant woman and a new mother, who had not registered for antenatal care and was unable to access essential check-ups and iron-folic acid supplements. Medical assessment revealed critically low haemoglobin (5.2 g/dL) and low body weight, placing both mother and child at high risk.

Working closely with the ANM and ASHA workers, Suman provided sustained six-month support. Kamla Bai was enrolled at the Anganwadi, received iron infusions and diagnostic care and was guided through nutrition, birth preparedness and family planning counselling. Suman also supported the family during hospitalisation and postnatal care, including guidance on newborn care and Kangaroo Mother Care. Over time, Kamla Bai's condition improved significantly and she safely delivered twin babies. Today, both mother and children are healthy, reflecting the impact of timely intervention and sustained community-based support.

As Suman reflects, "All I did was make sure she knew she was not alone. The strength to recover was always hers."





Education

Despite India's progress in education, challenges such as high dropout rates and poor learning outcomes persist, particularly in government schools. Nearly 26% of children discontinue schooling before completing Class 5, driven by factors such as inadequate infrastructure, shortage of trained teachers, limited learning resources, gender and language barriers and low parental engagement. As a result, many children lack foundational literacy and numeracy skills. Early childhood education through Anganwadis and Balwadis is also constrained by irregular attendance, limited trained staff and weak infrastructure.

To address these gaps, interventions focus on strengthening foundational learning through improved early childhood education, teacher training, provision of Teaching Learning Materials (TLMs), supplementary classes in literacy and numeracy and enabling parental involvement in early learning.

Mobile libraries promote reading habits, while community participation through parents and VDCs ensures sustained impact. In states like Rajasthan, Learning Resource Centres (LRCs) managed by community volunteers are enhancing access to learning materials and nurturing children's aspirations, with centres eventually handed over to the community for long-term sustainability.

The education programme in Devgaon and Nagzari was launched in FY 2024-25, creating a structured learning environment across 12 villages and reaching 2,381 children. For children aged 3-5 years, structured engagement with parents, supported by TLMs made from locally available resources, builds early learning skills and school readiness through regular practice.

For children aged 6-14 years, library-based, grade-wise sessions and remedial support classes for Standard 3-8 strengthen foundational learning. Libraries act as the primary outreach platform, fostering a reading culture through regular access to books and structured reading activities, while remedial classes address learning gaps and support high performers with advanced exposure. Parents are actively engaged through workshops and home visits to strengthen the learning environment at home and reduce dropout risks.

The programme has demonstrated strong learning outcomes: reading fluency among Standard 3-5 improved from 43.5% to 75.5%, number recognition increased from 64% to 88%, comprehension among Grades 6-8 rose from 22% to 60% and competency in multiplication/division improved from 39% to 70%.







Amol's Learning Transformation

Amol, an 11-year-old student from Alamgaon village in Jalna district, belongs to a marginal farming family with limited academic support at home. Despite his interest in learning, he struggled in school due to low confidence, fear of Maths and lack of individual attention in overcrowded classrooms, which led to disengagement and withdrawal.

In 2024, Amol was identified through a needs survey and enrolled in the Support Class Programme. The intervention focused on personalised attention, a safe learning environment and activity-based pedagogy. Through games, storytelling and hands-on Maths using everyday objects, he gradually overcame his fear and began focusing on conceptual understanding.

Within four months, Amol showed significant improvement. He now solves basic Maths problems confidently, reads fluently and actively participates in class. Teachers recognise him as an enthusiastic learner, reflecting a strong shift in both performance and self-belief.

As his mother shares, "Earlier he wouldn't even talk about studying; now he prepares himself with enthusiasm to go to school." Amol adds, "I want to become a teacher so that every child like me can find learning easy and fun."



Durga Devi's Role in Home-Based Learning

At 75, Durga Devi from Jalpa Danta village never imagined becoming a 'teacher'. A grandmother with no formal education, she carried a rich collection of traditional stories, though her role in her grandson Jaspal's learning had diminished over time.

This changed through the Saajhi Shiksha Project. During a home visit, she was encouraged to use storytelling, picture reading and everyday conversations to support early childhood learning.

Today, Durga Devi actively engages Jaspal through stories and play. Her confidence has grown and she now participates in parents meetings, inspiring other families to support learning at home-demonstrating that education begins within the household.



Coverage under Unnati in four locations - Devgaon, Nagzari, Sewantri and Coimbatore

Households covered under ICDP		8,750
Area of land under the project area (hectares)		22,248
People covered		42,308
	FY 2024-25	FY 2025-26
WATER AVAILABILITY		
Water harvested (lakh litres)	53,391	53,787
Increase in water table level (metres- average)	14.6	18.6
Percentage of households with drinking water	84%	87%
AGRICULTURE		
No. of crop demonstrations	569	215
Additional area protected from Direct Run-Off (hectares)	8,411	9,033
Increase in area under cultivation/ irrigation	43%	54%
Fallow land converted to agricultural land (hectares)	344	84
Area under horticulture (hectares)	722	817
HEALTH AND NUTRITION		
No. of kitchen gardens	685	280
No. of children in Balwadis supported	1,344	2,564
LIVESTOCK LIVELIHOOD		
No. of veterinary camps	24	24
Pastureland area under protection (hectares)	28	28
INSTITUTION BUILDING		
Village Development Committees	44	44
No. of active SHGs	305	325
SHG savings fund created for inter-loaning (₹ lakh)	192	220
No. of Farmer Groups Formed	18	27
CAPACITY BUILDING		
No. of Farmers attended Farm-Field Training	1,622	1,646


Check Dam in Pachapalayam, Tamil Nadu


Check Dam in Sewantri, Rajasthan


Check Dam in Devgaon, Maharashtra

Nayi Disha

Nayi Disha complements L&T's engagement with migrant workers by strengthening socio-economic conditions in their home communities. Implemented across eight districts in Jharkhand, Bihar and Odisha. The programme focuses on education, health, water and sanitation and institutional capacity building, in addition to the initiatives under the 'Humara Jeevan, Humara L&T'.

During the year, 26,270 individuals across 118 villages and one Nagar Panchayat benefitted through upgraded Anganwadis, school infrastructure, health camps, SHG capacity building and youth engagement initiatives across eight districts - Garhwa and Hazaribagh in Jharkhand; Gopalganj, Katihar and Muzaffarpur in Bihar; and Ganjam, Keonjhar and Jajpur in Odisha.


Beneficiary Received Ayushman Bharat Card


CSR Team Interacting with Girl Students


SHG Meeting

Impact of the entry-level activities conducted during the year:

Education	• 1 Model Anganwadi created in Jharkhand, resulting in a 41% rise in enrolment • 86 Anganwadis in Bihar, Jharkhand and Odisha equipped with teaching-learning materials, play items and kitchen utensils • 37 schools in Jharkhand and Bihar supported with mini-libraries, sports kits, literary events and awareness drives
Water & Sanitation	8 schools in Odisha provided with water filters for safe drinking water facility
Community Institutions Strengthening and Skill Development	• 25 women's SHGs trained in financial literacy and SHG governance aligned to the Government's Panch Sutra (regular meetings, savings, inter-lending, record keeping and linkage with financial institutions) • 20 youth groups formed and trained on health, hygiene and sanitation topics
Health	• 32 health camps conducted across the three states, covering general health, eye care, TB, maternal health and NCDs • 79 individuals referred to Primary Health Centres for further treatment • 8 TB patients provided with nutrition kits • 129 expecting mothers counselled and supplemented with Iron-Folic Acid tablets • 50 individuals received Ayushman Bharat health insurance cards in Bihar • 120 new cases of diabetes and hypertension identified and linked to government healthcare facilities

Transforming Anganwadis into Early Learning Spaces

"Here, learning happens through play, because the Anganwadi itself is our school." This vision has become a lived reality across 63 Anganwadi Centres in Gopalganj district in Bihar, where early childhood care and development (ECCD) spaces are being transformed into vibrant learning environments.

Traditionally seen as centres for supplementary nutrition and basic health services, Anganwadis are now evolving into child-centric learning spaces through L&T's intervention. The programme began by strengthening the capacity of 63 Anganwadi Sevikas through contextual training and hands-on capacity building, enabling them to adopt play-based and experiential learning approaches.

Age-appropriate TLMs such as flashcards, storybooks, puzzles and activity kits have transformed classroom environments, shifting learning from routine instruction to interactive, game-based engagement. Anganwadis have been redesigned as safe and stimulating spaces with learning corners, role-play kits and activity tools that support cognitive, social and emotional development. Behaviour-change communication and caregiver counselling have further strengthened awareness on nutrition, hygiene and responsive childcare, extending impact beyond centres into households.

The transformation is evident at Anganwadi Centre No. 34, now a model ECCD hub where children actively engage in joyful learning. Parents report increased enthusiasm among children, while stakeholders note visible improvements in engagement and teaching practices. As a Panchayat representative observes, the centres are now seen as essential to children's development and future.

The intervention has reached 2,000 children and trained 63 Sevikas across six Panchayats in Gopalganj Sadar and Thawe blocks, demonstrating a scalable model for early childhood learning transformation.

One mother shares, "Earlier, my child was not interested in going to Anganwadi, but now he goes happily every day. He comes home and shares new things he has learned-this brings us great joy. Now we feel that his future will be better." System level stakeholders echo this transformation. A Child Development Project Officer adds: "The change is clearly visible-not just in infrastructure but in the approach of Sevikas and the engagement level of children. This model has strong potential for scale." A Panchayat representative observes, "This initiative has strengthened the role of Anganwadi Centres in our Panchayat. The community now sees these centres as essential for children's future."



Education

India's education system continues to face challenges such as inadequate infrastructure, limited resources, uneven learning levels and disparities in teaching quality. L&T's education programmes strengthen access, quality and equity across rural and urban contexts.

Key interventions include upgrading infrastructure in under-resourced schools, providing remedial and self-learning support at the community level, enhancing teacher capabilities through training and strengthening parental engagement to support children's learning at home.

The Jyoti STEM (Science, Technology, Engineering and Mathematics) Education Programme addresses the urban-rural divide by introducing engaging science and Mathematics learning in resource-constrained government schools. During the year, the L&T's education interventions have reached 940 schools across India, creating learning opportunities for thousands of students.

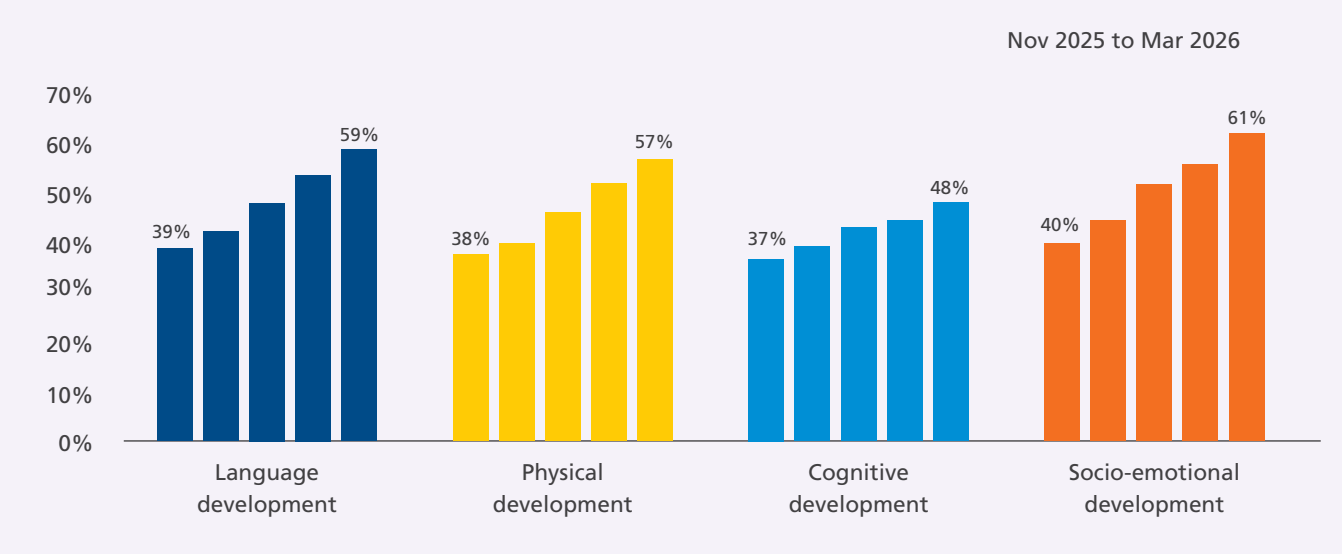
Early Childhood Support

In Mumbai's low-income communities, L&T's preschool initiative promotes holistic child development across 41 community Balwadis, reaching 1,970 children over 10 months and preparing them for a smooth transition to primary education. The programme focuses on building emotional, cognitive, language and sensory-motor skills in a safe and joyful learning environment. It also empowers local women as Balwadi teachers, strengthening community ownership and sustainability. Through teacher training, learning assessments and home visits, the programme enhances attendance and parental engagement.

As a result, children's cognitive, emotional, language and motor skills have improved by an average of 93%, enabling vulnerable children to develop confidence and reach their full potential.

The Classroom Learning Evaluation (CLE) reflects steady and significant progress across all developmental domains, indicating strong gains in children's school readiness.

Average Score in Classroom Learning Evaluation (CLE)



Learning Enhancement through the School Partnership Programme

L&T's School Partnership Programme in nine municipal primary schools in Powai, Mumbai, focuses on enhancing foundational literacy and numeracy. By shifting from teacher-led to learner-led teaching, the programme improves learning outcomes using interactive methods. It reached 3,898 children resulting in 52% of children improved in literacy, 64% in numeracy, 67% in reading levels and 92% in language development through the library initiative.



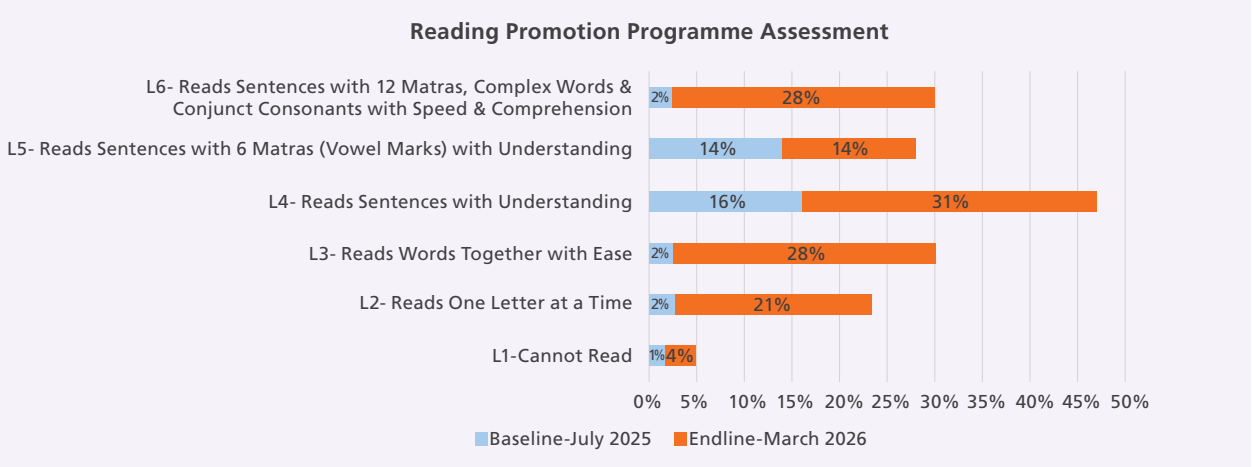


Sunila's Learning Progress

Sunila, a nine-year-old student of Class 3 at Veravali Marathi School No. 1 in Mumbai, lives with her father, a gardener, after the loss of her mother. Despite financial and emotional challenges, her father remains committed to her education. A baseline assessment in Class 2 identified significant learning gaps-she could recognise only a few letters and was unable to read words or sentences and was hesitant to participate in class due to low confidence.

Sunila was enrolled in the reading programme in Class 2, where teachers designed a personalised learning plan supported by interactive methods and level-appropriate TLMs. Through structured practice, repetition and continuous encouragement, she gradually developed foundational reading skills.

Now in Class 3, Sunila can read matras and simple books independently. She has become more confident, cheerful and now actively participates in classroom activities.



Jyoti - STEM Education Initiative

Jyoti, L&T's STEM Education Programme, is a strategic initiative aimed at bridging learning gaps in Grades 6-8 across government schools in Gujarat, Tamil Nadu and Maharashtra. The programme strengthens digital infrastructure, builds teacher capacity and promotes Activity-based Learning (ABL) to transform traditional classrooms into interactive environments that foster curiosity and problem-solving.

Students are engaged through hands-on STEM models, robotics kits and space exploration tools, enabling experiential learning beyond textbooks. Teachers receive specialised training in STEM pedagogy and ABL, including sessions at District Institutes of Education and Training (DIETs) and are also trained to develop Edu-Reels-short, curriculum-aligned videos that simplify complex concepts.

Key components of the programme include:

Teacher Training:

1,176 teachers trained in STEM pedagogy, supporting 248 student-led STEM clubs and enabling creation of 6,658 models.

ABL Sessions:

Interactive group learning using STEM TLMs, with 37% of teachers now independently using TLMs instead of lecture-based methods.

Young Entrepreneurs Bootcamp:

Students develop solutions to real-world problems, strengthening innovation and critical thinking.

Science Fairs:

Participation and recognition at district, state and national levels, boosting student confidence and visibility.

STEM Innovation and Learning Centres (SILCs):

Dedicated hubs integrating all STEM disciplines for advanced learning.



The programme also strengthens School Management Committees (SMCs), teachers and parents. SMCs are trained to monitor learning outcomes and sustain interventions, while parents are encouraged to actively support their children's education and track academic progress, ensuring long-term continuity beyond the project period.

Like most parents in our community I had quietly accepted that a government school could only do so much - we sent our children hoping for basic education but never truly expecting them to be inspired, discovered, or celebrated. But the day I saw my child's name on a competition certificate, watched her teacher speak about her potential with genuine pride and walked through that STEM lab that these dedicated teachers had built with such care, I was overwhelmed - because everything I had silently wished for but never dared to expect from a government school was standing right in front of me.

Ms. Gayathri N,
Parent of student enrolled in Government Girls' Higher Secondary School, Raja Street, Coimbatore, Tamil Nadu

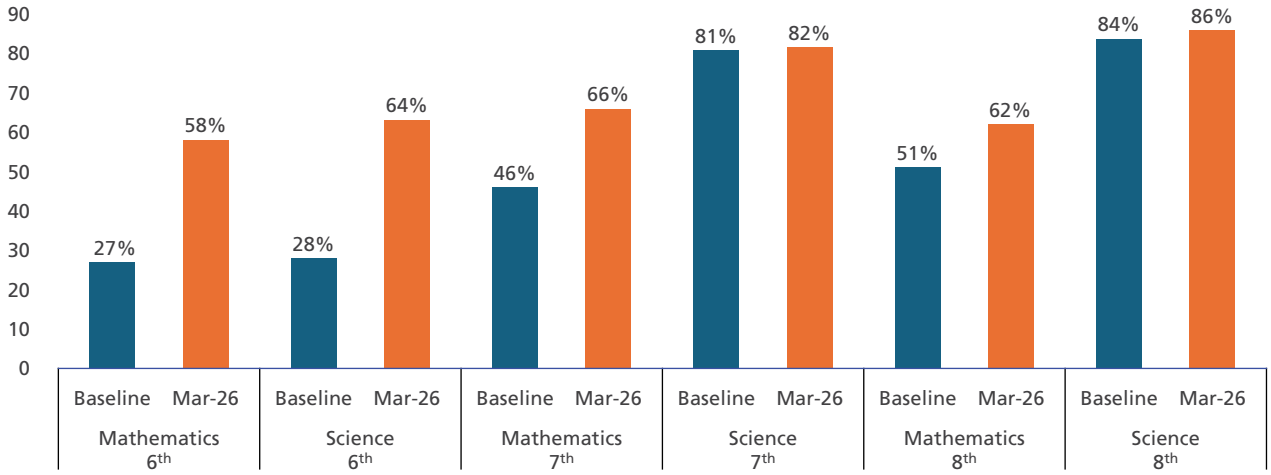
The programme maintains strong government partnerships, including teacher training in collaboration with DIET under the Jyoti initiative. These engagements ensure active involvement of government stakeholders in implementation and sharing of best practices. Through DIET, L&T has trained 384 teachers, with 15 independently using ABL pedagogy. Additionally, 112 student projects have been developed in 29 non-intervention schools after exposure to ABL practices.

This year, 95% of teachers reported improved ease in teaching concepts, 62% of students showed better conceptual clarity, 89% of parents observed increased interest in STEM, 69.5% of students improved in Maths and Science grades and 91% expressed interest in science-related careers.

The teacher support sessions play a vital role in strengthening the ABL teaching in our school. The Jyoti project has helped us consistently transform our classrooms by using hands-on models and engaging demonstrations. These sessions not only support new teachers in understanding how to effectively use the STEM lab but also help experienced teachers refresh their practices and address classroom challenges. It helped me a lot to teach the complex and abstract science concepts easier to students and increasing their curiosity, participation and overall engagement in the classroom.

Ms. Chinnathai
Science teacher at GHSS Sundakamuthur, Coimbatore, Tamil Nadu

Standard-wise and Subject-wise Scores



Young Entrepreneurs Finale 2026

The Young Entrepreneurs Finale 2026 under the Jyoti initiative brought together 540 students from 90 schools across Mumbai and Talegaon. After a rigorous selection process, 181 students presented 90 innovative ideas, with the top three recognised at the event.

The programme followed an 18-hour "Thinking Coaches" workshop introducing Design Thinking and future technologies to solve real-world challenges. It also included training for 150 teachers to support student innovation.

Overall, the initiative engaged 10,000 students and 150 teachers, with 12 L&Teers mentoring students from 7 schools, fostering creativity, collaboration and problem-solving skills.



Digital Scarecrow Innovation

In rural agricultural communities, crop damage from birds and animals remains a persistent challenge, affecting farmer livelihoods. Traditional scarecrows have become ineffective as animals adapt over time. Addressing this issue, students from Pratibha Vidyaniketan, Talegaon developed a 'Digital Scarecrow' as part of the Jyoti initiative. The solution uses spring-based sensors to detect movement and emits loud sounds to deter birds and animals without causing harm.

The device is cost-effective, non-lethal, easy to deploy and adaptable to different farm conditions. Pilot use on farms showed reduced crop damage and fewer instances of trespassing. The innovation demonstrates how empathy, creativity and technology can combine to deliver practical and scalable solutions for agriculture.



Remedial Classes

L&T's Community Learning Centres provide remedial education for children aged 7-12 years, strengthening Foundational Literacy and Numeracy (FLN) skills. Set up in government schools or public spaces and operating after school hours in partnership with local municipal bodies, the centres support children struggling with grade-level competencies.

Students are grouped into small batches for focused two-hour daily sessions, where trained teachers and volunteers provide personalised support in language and Maths within a nurturing environment.

Currently, 58 centres operate in Mumbai, reaching 3,677 children. The initiative has led to measurable improvements in learning outcomes and received strong appreciation from parents.

Anusha's Learning Progress

Anusha, a nine-year-old from Asalpha, Mumbai, moved from a Hindi-medium school in her native village when her family shifted for her father's employment. Enrolled in an English-medium school mid-transition, she struggled with reading, number recognition and understanding lessons, which affected her confidence and participation in class.

Under the Humara Sheher project, she was enrolled in remedial classes focused on foundational learning through personalised mentoring and activity-based methods. Teachers supported her with phonics, number recognition and basic concepts, using simple, step-by-step approaches and encouraging regular practice at home.

With consistent support, Anusha now reads short stories independently and solves basic Maths word problems. She actively participates in class discussions and has regained her confidence, also helping her younger sibling with learning at home.



Self-Learning Classes

The education programme promotes collaborative learning through self-learning groups for students in Grades 6-8. On average, 100 children participate each month, forming groups of five that meet at least once a week to solve exercises and use learning materials to strengthen understanding. Sessions run for 23 days each month, creating a consistent learning rhythm.

A notable outcome is the growing involvement of the local elderly community, with many offering their homes as safe study spaces and actively supporting and monitoring children. This has strengthened both learning support and community ownership of education.





Supporting Schools through Infrastructure Development

L&T supports under-resourced government schools by developing essential infrastructure such as classrooms, libraries, compound walls, toilets, laboratories and learning spaces. The initiative also includes furniture provision, digital classrooms, renovation of facilities and playgrounds, drinking water systems and solar power installations to improve the learning environment.

Students from low-income families in rural and tribal areas are also supported with uniforms, textbooks, notebooks and sports equipment, ensuring access to essential learning resources.

Improving School Sanitation in Sirohi

A Government Senior Secondary School in Sirohi district, Rajasthan, in Rajasthan, catering to 630 students (over 75% girls), faced severe sanitation challenges with only one functional toilet for girls and none for boys. This led to poor hygiene, overcrowding and health risks, affecting attendance and student well-being.

To address this, two gender-segregated toilet blocks with assured water supply were constructed within the school premises, designed for accessibility, privacy, ventilation and proper maintenance. Hygiene awareness sessions were also conducted for students and staff. The intervention significantly improved sanitation conditions, student comfort and attendance-particularly among girls. The initiative also received appreciation from the Additional District Magistrate, Sirohi.

As the Headmaster noted, "We are seeing better attendance and healthier students, especially among girl students."



Restoring Learning Space in Buxar

Sarenja Government Primary School in Buxar, Bihar faced severe infrastructure constraints, with two classrooms operating in makeshift spaces near toilets, creating discomfort, poor hygiene conditions and disruptions to learning.

To address this, two new classrooms were constructed, providing safe, adequate and dignified learning spaces. The improved infrastructure led to higher student attendance, better concentration and increased classroom engagement. Parents, particularly of girl students, became more supportive of school participation.

The intervention restored dignity and trust in the learning environment, contributing to improved educational outcomes and a positive school experience.

The education programme works closely with school principals to ensure active participation in implementing initiatives, fostering engagement among teachers and students. This collaboration builds a strong sense of ownership, encouraging principals to share best practices with other schools.

Teachers and students are also provided exposure visits to experience project interventions across institutions. Under the Jyoti programme, principals are encouraged to organise competitions and facilitate visits to STEM Innovation and Learning Centres (SILC) and laboratories, thereby strengthening interest and participation in STEM education.

Interventions	Schools/ Centres	Students
Jyoti	341	51,741
Digitisation	48	13,085
Pre-school	170	7,004
Learning Enhancement and Life Skills	513	1,18,008
Community Learning Centres	142	13,162
Infrastructure Improvement	172	47,288

Health

India's healthcare system continues to face challenges such as rising costs, shortage of trained professionals, limited elderly care and urban-rural disparities. Low public health spending, limited insurance coverage and inadequate awareness of preventive practices further restrict access to quality care, especially among underserved communities.

Since 1968, L&T has been working to improve community health by delivering accessible and affordable healthcare. Its initiatives strengthen health infrastructure, leverage technology and promote community engagement to enhance overall well-being.

L&T operates 10 Community Health Centres (CHCs) and 12 Mobile Health Units (MHUs) across Gujarat, Maharashtra and Tamil Nadu. While CHCs cater to urban populations in cities like Mumbai, Surat and Chennai, MHUs extend services to remote villages, tribal communities, the elderly and persons with disabilities. Interventions include primary care, specialised services such as dialysis and Antiretroviral Therapy (ART) and outreach programmes for children, pregnant women, senior citizens and persons with disabilities. Health camps, awareness drives, blood donation initiatives and self-care programmes further promote preventive health practices.

The programme aligns with national health priorities, covering Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCH+A), family planning and management of communicable diseases such as tuberculosis and HIV, as well as non-communicable diseases like anaemia, diabetes and hypertension. Services also include mental health support, early cancer detection and therapeutic care, with select centres offering homeopathy.

L&T facilitates access to government schemes such as Pradhan Mantri Jan Arogya Yojana and Jan Aushadhi Yojana. The ART Centre in Mumbai operates in partnership with MDACS and the Municipal Corporation of Greater Mumbai.

During the year, services expanded to include Jan Aushadhi linkages at CHC Chennai, ophthalmology services at CHC Lonavala and increased in-patient capacity at Nirali A M Naik Charitable Healthcare Facility. **The ART centre, and Health Centres at Andheri and Thane received NABH accreditation, taking the total number of accredited centres to five.**

In addition, L&T supports infrastructure development in government hospitals, including Primary Health Centres (PHCs), further strengthening access to quality healthcare for underserved communities.

10
Community Health Centres (CHCs)

12
Mobile Health Units (MHUs)





Cancer Care Services

During FY 2025-26, L&T implemented a community-based cancer screening programme for early detection of oral, breast and cervical cancers across Mumbai, Navi Mumbai and Thane. The initiative covered 100 camps and focused on awareness generation, capacity building of frontline workers, organised screenings and a structured referral and follow-up system.

The programme reached 5,095 beneficiaries from underserved and high-risk communities, integrating screening with health education, IEC material distribution, counselling and patient navigation to ensure continuity of care. Capacity building of 103 government officials and frontline workers strengthened alignment with the public health system and enhanced community trust.

For the first time, cervical cancer screening using HPV DNA and VIA testing was introduced at the community level. HPV DNA testing enables early identification of high-risk infections before visible symptoms appear, improving the scope for timely intervention.

The programme achieved 91% coverage among eligible women and identified 156 women (4%) as HPV-positive, prioritising them for further diagnosis and treatment. This initiative marks a significant step towards early detection and reducing the burden of cervical cancer in underserved populations.

Timely Antenatal and Newborn Care

Ms. Pradnya was enrolled under antenatal care (ANC) at L&T's Satellite Clinic in Govandi-Mumbai immediately after pregnancy confirmation. She received regular monitoring along with iron, calcium and nutrition support, complemented by counselling on diet, medication adherence and safe delivery practices.

During a routine postnatal home visit on day five after delivery, the newborn showed signs of mild jaundice. Prompt diagnostic testing revealed elevated bilirubin levels (17.8 mg/dL) and the baby was immediately admitted for phototherapy. After two days of treatment, bilirubin levels reduced to 8.7 mg/dL and the newborn recovered fully.

Timely home visits, early detection and swift medical intervention ensured a safe outcome, along with continued guidance on breastfeeding, newborn care and supplementation.

Long-term HIV Care and Psychosocial Support

At the ART Centre in Andheri-Mumbai, a young adult in his early 20s arrived carrying years of emotional distress and confusion regarding his HIV status, acquired through parent-to-child transmission. Although his positive status was identified at birth, it was initially not disclosed due to his mother's denial.

In 2017, after sustained counselling efforts, he was brought in for testing and confirmed HIV positive. The ART Centre team provided structured individual and family counselling to help him cope with anger, confusion and stigma. A personalised, long-term care approach helped rebuild trust and treatment adherence. Over time, he achieved viral load suppression since 2022, with significant health improvement, including weight gain from 55 kg to 75 kg over six years. Psychosocially, he showed reduced stigma, improved confidence and a renewed sense of purpose and is now a working professional.

As he shares, "The ART Centre team stood by me like family. They helped me accept my condition and move forward. Today I take my treatment regularly and feel confident about my future."

The ART Centre is India's first ART centre to receive NABH accreditation.



Skill Development

Recognising the gap between the demand for skilled manpower and youth employability, L&T established Construction Skills Training Institutes (CSTIs) since 1995 to equip underprivileged rural youth with industry-relevant skills and enhance livelihood opportunities.

Operating across 10 locations - Bengaluru, Kancheepuram, Panvel, Pilkhuwa, Serampore, Jadcherla, Cuttack, Chacharwadi, Mayurbhanj and Vadnagar, CSTIs offer training in over 14 construction trades, including welding, scaffolding, masonry and electrical work. The curriculum is aligned with the National Skills Qualification Framework (NSQF), with 80% hands-on training. Trainees receive National Council for Vocational Training (NCVT)-recognised certification, ensuring industry acceptance. Beyond technical skills, programmes integrate soft skills, digital literacy and safety practices to develop workforce-ready candidates.

L&T continues to promote gender inclusivity in construction. The Skill Hub in Mayurbhanj trained 268 women during the year, while also working with project teams to create safe, inclusive worksites. Employers report that women trainees demonstrate high efficiency, discipline and professionalism, positively influencing workplace culture.

L&T collaborates with the Ministry of Skill Development and Entrepreneurship and the National Skill Development Corporation (NSDC) through its Skill Trainers Academy (STA) in Mumbai, which trained 660 trainers this year, strengthening the ecosystem for skilled workforce development.

L&T's skilling initiatives continue to advance inclusion, with women constituting 19% of participants across construction and vocational programmes.

Impact

13,102
candidates trained through CSTIs

61%
placement rate

306
candidates trained at the Multi-Skill Training Centre

3,289
individuals reached through other vocational programmes, with

96
micro-enterprises established generating

~₹ 6,000
monthly income



Transitioning from Agriculture to Skilled Employment

Rishi Kumar from Champaran, Bihar grew up in a farming household marked by uncertain incomes. After schooling, he enrolled at Bettiah ITI, where he learned about L&T's CSTI in Bengaluru and where he joined a 45-day Pipe Fitting course. The hands-on training equipped him with practical skills in installation and utility applications. Upon completion, he secured employment with a starting salary of ₹ 18,000 per month, rising to ₹ 20,000 in the second year, bringing stability to his household beyond agriculture.

Doubling Income through Skill Training

Arun Singh from Ambedkarnagar, Uttar Pradesh, despite completing ITI, worked as a daily wage helper earning ₹ 12,000 per month with limited growth prospects. After enrolling in CSTI Pilkhuwa's Electrician course, he gained hands-on experience and discipline-driven training. He now earns ₹ 25,000 per month, more than doubling his income and enabling him to support his family with dignity.





From Daily Wage Worker to Overseas Employment

Chandrasekara from Karaikal, Puducherry had to leave school early due to family constraints and worked as a welding assistant earning ₹ 350 per day.

Through formal training in advanced welding techniques, he enhanced his technical skills and secured a job in Abu Dhabi. Today, he earns ₹ 30,000 per month, supporting his family, funding his brother's education and contributing to his father's medical care.

Empowering Women through Skills

Jharna Murmu, a 23-year-old from Mayurbhanj, Odisha, faced financial hardship after being orphaned young. Determined to build a future, she enrolled in the Computer Data Operator and Office Assistant course at L&T's Skill Hub.

The training enabled her to secure employment in Jamnagar, Gujarat, with a monthly income of ₹ 23,000. Today, she supports her family and stands as an inspiration in her community.

L&T-eering: Employee Volunteering Initiative

L&T nurtures a strong culture of employee volunteering, encouraging its workforce to actively engage in community development initiatives.

In FY 2025-26, 10,461 employees dedicated their time and expertise to a wide range of activities, including creativity camps, STEM workshops, educational excursions, NGO and craft melas, and participation in Daan Utsav. Many volunteers focused on mentoring underprivileged children, helping bridge learning gaps and equipping them with future-ready skills. Employees also contributed to healthcare initiatives through medical camps, blood donation drives and awareness programmes. In addition, they supported environmental sustainability by organising tree plantation drives, clean-up campaigns and promoting RE solutions.

JalTarang - Fostering STEM Learning through Volunteering

The JalTarang initiative in Surat, Gujarat, was launched to spark curiosity by combining classroom learning with hands-on technology, complementing the Jyoti STEM programme across 52 schools and nearly 6,000 students in Olpad and Choryasi talukas.

19 L&Teers underwent training in sensor technology, basic coding and problem-solving to mentor students. At Shardha Vidhyalaya, Icchapore, students developed practical solutions such as a water tank overflow alarm, automatic tap and plant watering system-addressing real-world challenges like water conservation. The overflow alarm is now actively used in the school.

In addition, volunteers supported the installation of a groundwater recharge system and school benches. With 191 volunteer hours, JalTarang fostered innovation among students while strengthening employee engagement, creating a meaningful impact on sustainability and community learning.

Linking CSR Interventions with Government Schemes and Programmes:

Swachh Bharat Abhiyan:

2,984
household toilets constructed since 2017-18 using local skills and materials

1,739
school toilets constructed since 2015-16

49,149
children provided WASH awareness since 2015-16

41
villages achieved Open Defecation Free status

Swajal Yojana under Rural Development Ministry:

Watershed development programme under Unnati, ICDP

National Rural Livelihood Mission (NRLM):

SHG programme under Unnati, ICDP

Agricultural Technology Management Agency (ATMA) scheme:

Exposure visit, training, demonstration under Unnati, ICDP

Pradhan Mantri Krishi Sinchayee Yojana:

Drip irrigation in Unnati, ICDP

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA):

Farm bunding activity in Unnati, ICDP

National Skill Development Mission:

L&T CSTIs, Multi Skill Training Centre and Skill Trainers Academy (STA) at Madh

National Health Mission:

National AIDS Control Programme (NACP):

L&T ART centre at Andheri

National TB Control Programme (RNTCP):

L&T TB Centre at Andheri

National Family Planning Programme:

Contraceptive services made available at L&T Health Centres

Integrated Child Development Scheme:

Improving the quality of services at Anganwadi and capacity building of Anganwadi workers

Mother and Child Health Programme:

Ante and Post Natal Care, and immunisation services provided at the health centres are linked to this programme

Ayushman Bharat Yojana:

Linking patients visiting L&T health centres to this scheme

Pradhan Mantri Jan Arogya Yojana:

Linking patients availing dialysis services at L&T centre to this scheme

Pradhan Mantri Bhartiya Janaushadhi Pariyojana:

Linking patients visiting L&T health centres to this scheme

Mahatma Jyotiba Phule Jan Arogya Yojana in Maharashtra:

Linking patients visiting L&T health centres with this scheme

Widow Pension Yojana:

Linking HIV impacted widows at ART Centre

Adhar Poshan Yojana:

Provide nutritional support to HIV-affected patients at the ART centre

Sarva Shiksha Abhiyan (SSA) -

Community pre-school programmes and community learning centres preventing dropouts and ensuring enrolment

STEM Initiative of **National Science and Technology Communication Council and the Department of Science and Technology, Government of India** - L&T's STEM Education Programme Jyoti



Impact Assessment of CSR Projects

A total of 34 CSR projects implemented in FY 2023-24 were eligible for impact assessment in FY 2025-26. The assessment, conducted by SGS India Private Limited, covered initiatives that collectively reached approximately 14.73 lakh beneficiaries across key thematic areas including skilling, education, healthcare and water and sanitation.

The assessment highlights that these interventions span both rural and urban geographies, with a deliberate focus on high-need and underserved regions. The portfolio demonstrates a balanced approach-combining intensive, long-term engagement in select locations with broader geographic outreach to maximise inclusion and equity.

Findings indicate that L&T's CSR initiatives have generated tangible and sustained outcomes at the community level. These include improved access to essential services, strengthened educational outcomes, enhanced health and hygiene practices and expanded livelihood opportunities. Collectively, these efforts have contributed to an overall improvement in quality of life while also building resilience among vulnerable and underserved populations.

Skill Development

13
Projects Assessed

37,000
Beneficiaries

- 95% of candidates reported that the training was useful for their work
- 91% were able to align training with market demand for workmen and supervisory roles
- 99% were connected to local employment opportunities post-certification from skill training institutes
- 73% of CSTI beneficiaries were employed or self-employed, with 74% reporting increased household income
- 87% of Multi Skill Training Centre beneficiaries were employed or self-employed, with 95% reporting income growth
- Post-training earnings ranged from ₹ 15,000 - ₹ 18,000 per month for worker and up to ₹ 40,000 for supervisory roles
- Skill training initiatives in Gujarat have enabled rural women and youth to build confidence and livelihoods through trades such as tailoring, beautician services and computer skills

Water and Sanitation

5
Projects Assessed

4.62 lakhs
Beneficiaries

- 93.8% of targeted beneficiaries under Unnati achieved ODF status
- 100% of households provided with sanitation units are actively using them, reflecting behaviour change
- Integrated interventions, including soil and water conservation, livelihood enhancement and women's participation in community institutions, have reinforced long-term outcomes
- 86.5% of women and girls reported improved menstrual hygiene management through school sanitation and awareness initiatives, enhancing dignity, safety and school participation
- Groundwater recharge and waste management initiatives show strong sustainability, with over 93% of beneficiaries confirming proper maintenance of water and sanitation facilities



Education

13
Projects Assessed

2.86 lakhs
Beneficiaries

- L&T's interventions addressed critical infrastructure and learning gaps in schools, particularly in rural and underserved regions
- Teachers and headmasters reported improved attendance, reduced dropout rates and smoother academic functioning
- 95% of students reported improved reading and writing skills, enabling better engagement with school curricula
- Children in Balwadis showed higher engagement, stronger grasp of basic concepts and active participation, while also creating local employment for educators
- Increased parental involvement observed, with mothers actively supporting children's learning at home
- 90% of students reported greater interest in Science and Maths for higher education and careers
- STEM programmes enhanced awareness of real-world challenges and problem-solving capabilities
- 93% of students reported increased confidence in using computers and technology following access to computer labs



Health

3
Projects Assessed

6.88 lakhs
Beneficiaries

- 100% of assessed facilities reported critical baseline gaps (equipment, diagnostics, emergency transport), indicating strong alignment of interventions with community healthcare needs
- Beneficiaries reported high satisfaction, improved access to diagnostics and better continuity of care
- MHUs effectively bridged last-mile access gaps, while dialysis and chronic care services enabled sustained treatment for vulnerable populations
- 92% of beneficiaries reported improved health outcomes
- 87.5% reported reduced out-of-pocket expenditure, with savings of up to ₹ 35,000 per month

Relationship Capital

Relationship capital reflects the value embedded in L&T's engagement with stakeholders across the value chain - customers, supply chain partners, employees, investors, governments and communities. Built on trust, transparency and collaboration, these relationships enhance operational efficiency, innovation, risk management and long-term growth.

- **Trust and Collaboration:** When partners work together transparently and share information, it leads to more efficient problem-solving, innovation and mutual growth
- **Engagement and Loyalty:** Building long-term relationships with supply chain partners and customers enhances reliability, reduces lead times and ensures better quality control
- **Communication and Transparency:** Open, honest communication builds a foundation of trust, which is vital for anticipating issues, addressing challenges and driving continuous improvement in the value chain
- **Risk Management:** Strong relationships with the direct stakeholders help organisations better anticipate, mitigate and manage risks such as supply disruptions, price volatility, or regulatory changes

The basis of identification of the stakeholders has been elucidated in the 'Driving Stakeholder Engagement' chapter along with mode of engagement, frequency and topics covered in these engagements. Furthermore, *Principle 4 of the BRSR* aligns closely with relationship capital by highlighting the importance of building strong, trust-based and mutually beneficial relationships with stakeholders. This relationship capital, in turn, drives sustainable business growth, innovation and long-term value creation.

Sustainable Supply Chain and Responsible Sourcing

L&T integrates ESG principles across procurement and supply chain operations through its Sustainable Supply Chain Policy and Supplier Code of Conduct. All supply chain partners are required to comply with standards on ethics, human rights, labour practices, environmental stewardship and anti-corruption. ESG due diligence, third-party sustainability assessments, capacity-building programmes and corrective action plans strengthen supply chain resilience and accountability.

289 critical supply chain partners have been assessed through a third-party digital ESG platform, with structured handholding and re-assessments driving measurable improvements in ESG performance. Over 1,200 supply chain partners were trained on sustainability expectations, reinforcing shared responsibility for value creation

ESG Integration

L&T is guided by its Sustainable Supply Chain Policy and Code of Conduct for Suppliers, which embed ESG expectations across labour practices, environmental stewardship, human rights, ethics and anti-corruption in the supply chain. Brief overview is as follows:

- **Purpose & Scope:** Defines standards for ethical, responsible and sustainable practices across L&T's global supply chain and applies to all supply chain partners, contractors, sub-contractors, vendors, consultants and business partners.
- **Core Pillars**
  - **Environmental Sustainability:** Resource efficiency, pollution prevention, waste reduction, regulatory compliance
  - **Human Rights & Labour:** Safe working conditions, human rights protection, equal opportunity, non-discrimination and zero harassment
  - **Ethics & Compliance:** Zero tolerance for bribery and corruption, conflict of interest disclosure, data privacy, fair competition and ethical conduct
- **Governance & Enforcement:** Compliance with the Code of Conduct for Suppliers and submission of a compliance declaration are mandatory for onboarding. Supply chain partners are also assessed on ESG KPIs including quality, safety, environmental management systems and regulatory compliance. Grievance redressal and whistleblower mechanisms are in place to enable confidential reporting of concerns. L&T reserves the right to conduct due diligence, audits and inspections. Acceptance of the Code is mandatory and forms part of vendor onboarding and purchase orders.
- **Accountability:** Non-compliance constitutes a breach of contract and may result in corrective action, suspension, or termination of the business relationship. Breaches can be reported through the whistleblower mechanism.

Capacity Building

The Company conducts regular capacity-building sessions to familiarise supply chain partners with evolving sustainability expectations and standards. This includes topics such as fundamentals of ESG, regulatory frameworks, BRSR, environmental management, human rights.

Sustainability Assessment of Supply Chain Partners

L&T continues its structured approach to supply chain sustainability by partnering with an independent third-party agency to conduct a comprehensive sustainability assessment through a digital platform. This external assessment enhances objectivity, enables benchmarking and helps identify both risks and improvement opportunities across critical supply chain partners.

The refined methodology includes ESG questionnaires aligned with global standards, desk reviews, disclosures and on-ground validations (as applicable), followed by scoring and classification of supply chain partners into ESG risk categories. Corrective action plans are developed for medium- and high-risk supply chain partners.

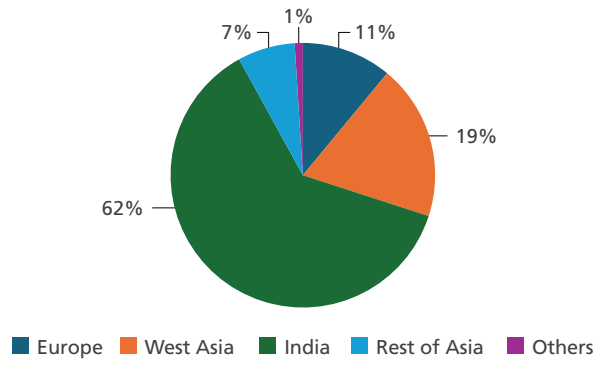
I. **Identification of 'Critical' Supply Chain Partners:** The critical supply chain partners have been identified based on those with the highest influence on business continuity and operations. Given the Company's diversified portfolio, the identification process was guided by a set of well-defined criteria, including:

- **High value/high volume Supply Chain Partners:** Providers of essential materials such as steel, cement, aggregates, or capital equipment.
- **Single or sole source Supply Chain Partners:** Partners providing proprietary technologies, niche components or critical engineering systems with limited alternative sourcing options.
- **Strategic impact Supply Chain Partners:** Partners engaged in long-term collaboration and partnership
- **Geographical or risk-based importance:** Supply chain partners in high-risk geographies or critical to project timelines.
- **Client-designated Supply Chain Partners:** Partners mandated or preferred by clients for technical or compliance reasons.

II. **Sustainability assessment of critical Supply Chain Partners through third-party:** Based on the above multi-dimensional criteria, 289 critical supply chain partners have been assessed through a third-party digital ESG platform in the last two years; 169 evaluated during the year.

III. **Coverage:** Supply chain partners from India and other countries

Geographical distribution of selected critical supply chain partners selected in FY 2025-26



IV. **Performance Banding and Results:** Categorised in three bands as below:

Band	Score Range	Interpretation
Green	> 60%	Leader
Yellow	> 40% and < 60%	Emerging
Amber	< 40%	Aspirant

V. **Training programmes for critical supply chain partners:** L&T conducted targeted training sessions to onboard supply chain partners and build awareness of the assessment framework, methodology and expectations, reinforcing shared responsibility for sustainability performance.

Approach to Sustainability Assessment

1

Phase 1 Self-assessment by the Supply Chain Partners:

A structured self-assessment was conducted across five ESG modules: governance, ethical business practices, human rights and labour, health and safety and environment. The questionnaire was aligned with regulatory requirements, BRSR disclosures and global ESG standards, includes both qualitative and quantitative responses along with supporting documentation.

2

Phase 2 Gap assessment report and handholding workshops:

The self-assessment is followed by verification of information and documents by independent assessors. Each supply chain partner received a customised gap assessment report outlining key findings and improvement areas, along with defined targets and timelines to enhance ESG performance. L&T conducted handholding workshops for Yellow and Amber category supply chain partners, focusing on recurring gaps across ESG modules such as EMS implementation, climate risk management, sustainable supply chain practices. Supply chain partners were supported in developing and implementing structured improvement action plans.

3

Phase 3 Re-assessment of ESG score:

The yellow and amber band supply chain partners were subsequently reassessed through the digital platform, confirming measurable improvements in their ESG scores based on the corrective actions implemented.

Results of FY 2025-26

169
Total desk assessments during the year: Phase I

101
Total desk assessments during the year: Phase III

7
Total on-site assessments during the year

Out of 169 supply chain partners assessed:

90
Number of Supply Chain partners with ISO 14001 Certification

92
Number of Supply Chain partners with ISO 45001 Certification

101
Number of Supply Chain partners with ISO 9001 Certification

Band	Score Range	Interpretation	Initial number of supply chain partners [Phase I]	Final number of supply chain partners [Phase III]
Green	> 60%	Leader	63	**104**
Yellow	> 40% and < 60%	Emerging	50	**30**
Amber	< 40%	Aspirant	56	**35**

Highlights

Sustainable supply chain policy coverage:
All supply chain partners

Supplier code of conduct signed:
100% **of all active supply chain partners**

Supply chain sustainability assessment coverage:
289 **critical supply chain partners in last two years**

Sustainability awareness coverage:
>1,200 **supply chain partners**

Green rated supply chain partners in the last two years:
210

Sustainable sourcing by value of purchase (sourcing from Green rated supply chain partners):
~20%

A grievance redressal mechanism plays a crucial role in building and maintaining relationship capital by fostering trust, improving communication, preventing conflicts and ensuring stakeholder loyalty. *The mechanism related to investors, shareholders and supply chain partners is explained in Section A of the BRSR of this Report. The mechanism for workers, communities and customers is explained in Principles 3, 8 and 9, respectively, of the BRSR section of this Integrated Annual Report FY 2025-26.*

Looking Ahead

Relationship capital represents a key intangible asset reflecting the strength of an organisation's stakeholder relationships. Built on trust, communication and mutual respect, it enables long-term value creation, enhances stakeholder loyalty and reputation and supports sustainable growth. Effective management of relationship capital through transparent and consistent engagement strengthens resilience and creates competitive advantage.

To promote a skilled and gender-inclusive workforce and support the growing construction sector, L&T's new CSTIs at Vadnagar and Amaravati will provide a strong impetus, aligned with the Skill India Mission. L&T will continue to strengthen social and relationship capital by scaling inclusive skilling initiatives, deepening engagement in aspirational districts through Nayi Disha and advancing responsible supply chain practices. By embedding trust-based relationships, transparent engagement and shared value creation, L&T aims to convert social capital into sustained competitive advantage and long-term stakeholder value, aligned with global best practices in integrated and sustainability reporting.




LARSEN & TOUBRO
BIM VR ARENA








L&T Supplier Code of Conduct
IKTVA Partner workshop
5TH Feb 2026


LARSEN & TOUBRO
LTM
vyom





FINANCIAL CAPITAL

Financial capital provides a strong foundation for effective risk management amidst unexpected events and macroeconomic volatility. It enables the Company to maintain optimal balance between risk exposure and growth objectives.

Backed by a record-high order book, a strong balance sheet, a well-diversified portfolio and a consistent history of successful execution, the Company is well positioned to manage the challenges of today's volatile business environment. Continued growth in core business segments, along with strategic expansion into emerging sectors, is expected to play a key role in achieving the **Lakshya 2031** goals and in creating long-term value for all stakeholders.

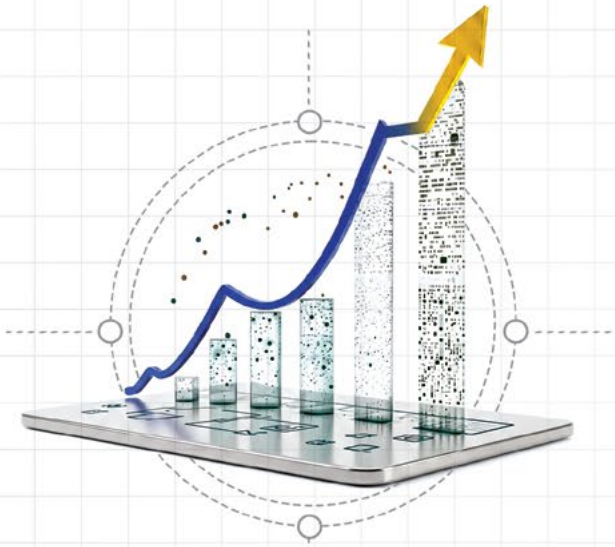
L&T's standalone financials reflect the performance of Infrastructure Projects segment, Energy Projects segment (comprising Hydrocarbon, CarbonLite Solutions), Hi-Tech Manufacturing segment (comprising Heavy Engineering and Precision Engineering and Systems), and Others segment (includes Realty, Construction & Mining Machinery, Rubber Processing Machinery, Smart World & Communication {reflecting the residual portion}, e-commerce/Digital platforms and Data Centers).



Key Highlights of FY 2025-26

21%
Order Inflow Growth

62%
Growth of International Order Book



Strategy linkage[1]

SO-I | SO-II | SO-III | SO-IV | SO-V

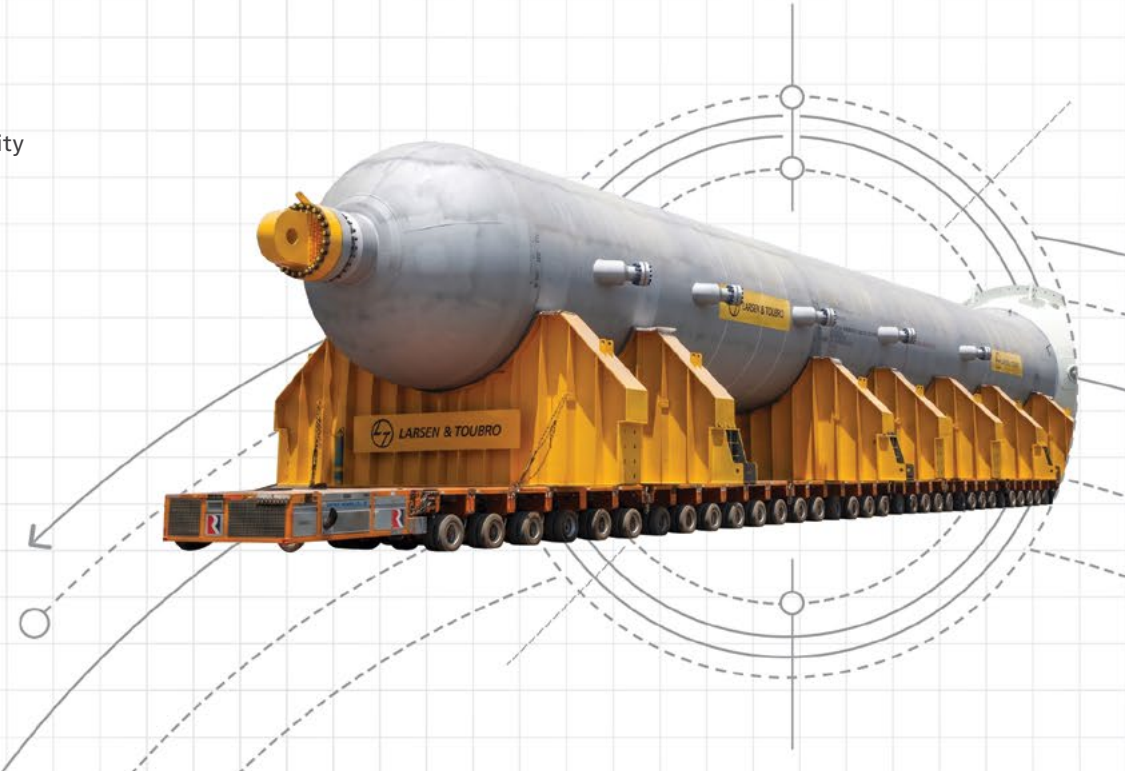
SE-1 | SE-3

SDGs Impacted



Material Topics

- Customer Satisfaction
- Product Quality and Reliability
- Data Privacy and Security
- Geopolitical Risks
- Climate Change
- Community Relations



[1] For details, refer to 'Business Model and Strategy' section of this Report.

Key Highlights of FY 2025-26:

- The Company executed a Share Purchase Agreement with Hyderabad Metro Rail Limited, a Government of Telangana enterprise, for disposal of its entire shareholding in L&T Metro Rail (Hyderabad) Limited (L&T MRHL), a subsidiary of the Company
- The Company has acquired additional 4.1% equity shareholding of E2E Networks Limited during the FY 2025-26, taking the total shareholding to 19% in FY 2025-26
- The process to transfer the Realty Business Undertaking (Realty BU) to L&T Realty Properties Ltd. (L&T Realty), a wholly owned subsidiary of the Company, through a slump-sale via NCLT-approved Scheme of Arrangement has been initiated

Performance Summary for FY 2025-26:

- Order Inflow achieved a growth of 21% y-o-y, with 47% contribution coming from international orders
- Revenue registered growth of 8% compared to FY 2024-25
- Recurring PAT registered growth of 26% y-o-y attributable to a pickup in activity levels and improved treasury operations
- Operational cash flows improved on account of favourable working capital movements
- The Board of Directors has recommended a final dividend of ₹38 per equity share for the approval of the shareholders









Economic Value Generated and Distributed[2] [in ₹ Cr]

Data	Description	FY 2025-26	FY 2024-25
Economic Value Generated	Total income	1,64,828	1,51,340
Economic Value Distributed	Manufacturing, construction and operating expenses	1,30,266	1,20,900
	Employee wages and benefits	11,573	10,349
	Payments to providers of capital		
	Interest	1,675	2,195
	Dividend	5,227	4,676
	Payments to exchequer	7,742	7,481
	Community investments (CSR)	176	165
Economic Value Retained		**8,169**	**5,573**

[2] Excluding exceptional items

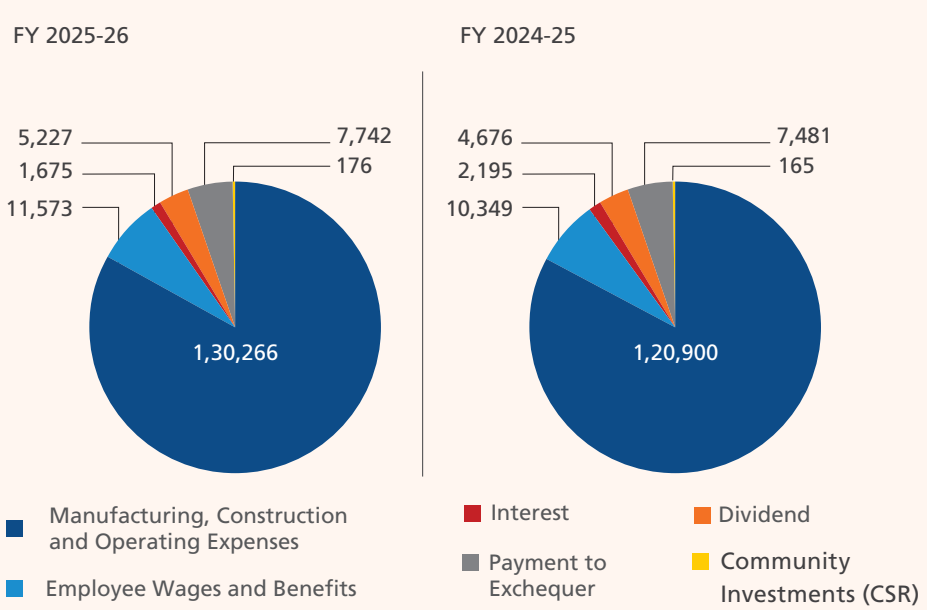
Value Generated

Total Income [in ₹ Cr]

FY 2025-26
1,64,828

FY 2024-25
1,51,340

Value Distributed [in ₹ Cr]



Notes on Sustainability Information

The Integrated Report section of Integrated Annual Report FY 2025-26 showcases various information across sustainability parameters. This section includes details on coverage, approach, standards and references used for the disclosures.

Scope and Reporting Boundary

This report has been prepared for the parent or standalone entity of Larsen and Toubro Limited. The scope is aligned with the businesses considered under the L&T's standalone financial reporting. Listed subsidiaries of the Company i.e. LTM Limited, L&T Technology Services Limited, L&T Finance Limited, and unlisted subsidiaries have not been included in the reporting boundary.

Data disclosed for Scope 1 emissions, Scope 2 emissions, energy, water and waste covers all operations and 100% of the Company revenues (standalone) for FY 2025-26.

Methodology and References

Scope 1 Emissions

Scope 1 emissions have been calculated based on GHG Protocol and includes GHG emissions from all the fuels consumed (diesel, petrol, natural gas, liquified petroleum gas, furnace oil, acetylene, biodiesel, biomass) across all locations of the Company. Fugitive emissions from consumption of CO_2 in fire extinguishers and welding processes as well as from use of refrigerants in air-conditioning systems have also been included under Scope 1 emissions.

Emission factors for fuels are as per the latest emission factors published by UK DEFRA.

Scope 2 Emissions

Scope 2 emissions have been calculated based on GHG Protocol for the electricity consumed across all locations of the Company. The Company does not consume any purchased steam, heat, or cooling. Location-based Scope 2 emissions have also been disclosed.

Electricity sourced from renewable sources/supply has been accounted based on the instruments used (power purchase agreements, open access, green tariffs) by the business units of the Company or generated within the Company. The instruments have the relevant green attributes embedded as required for accounting as renewable power. Residual mix for electricity sourced from the grids has been considered based on the country where the electricity is getting consumed. For India, the emission factor (residual mix) is taken from latest data published by Central Electricity Authority (CEA) in January 2026. For other countries, emission factor has been taken from latest data published by International Renewable Energy Agency (IRENA).

Scope 3 Emissions

Scope 3 emissions across different categories (as included in GHG Protocol) have been calculated for material using specific method relevant to the category.

Scope 3 category	Evaluation status	Calculation Methodology
Purchased goods	Relevant, calculated	For one set of materials, average-data method has been used to calculate emissions based on the quantity of materials purchased. Emissions factor taken either from supplier or public sources. For another set of materials, where the quantities were not available, spend-based method used with emission factors were taken from US EPA.
Capital Goods	Relevant, calculated	Spend-based method used for calculating the emissions by using value of capital expenditure incurred and emission factors from US EPA.
Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	Relevant, calculated	Average-data method used to calculate emissions for quantity of fuels and electricity consumed by supply chain partners, related to work activity and not included under Category 1.

Scope 3 category	Evaluation status	Calculation Methodology
Upstream Transportation and Distribution	Relevant, calculated	Calculated based on distance-based method by considering total distance of material transport (raw materials procured, including stock transfer between various locations), mode of transport (different types of trucks or other vehicles), total tonnage and emission factor taken from UK DEFRA.
Waste Generated in Operations	Relevant, calculated	Calculated based on waste-type-specific method by considering the quantities of different types of wastes disposed by the company and type of disposal with emission factor for disposal method taken from UK DEFRA.
Business Travel	Relevant, calculated	Distance-based method used for calculation by considering the total distance travelled for specific mode (rail, road, air) and applicable emission factor for the specific mode taken from UK DEFRA.
Employee Commuting	Relevant, calculated	Fuel-based method used for calculating emissions linked to transport services arranged by the Company. Quantity of fuel consumed is considered with emission factors taken from UK DEFRA. Spend-based method used for calculating emissions linked to spend reimbursed by the Company for employee commuting.
Upstream Leased Assets	Not relevant	Energy, and related emissions, consumption related to leased assets are included in Scope 1 and Scope 2 emissions
Downstream Transportation and Distribution	Relevant, calculated	Distance-based method used for calculations by considering the total distance covered through various modes (road, rail, air, sea) and applicable emission factor taken from UK DEFRA
Processing of Sold Products	Not relevant	The outputs generated by the Company are directly sold to the clients with no-intermediate products.
Use of Sold Products	Not relevant, not estimated	The Company provides EPC services for construction of assets related to infrastructure and energy. The assets created are owned and operated by the clients. In Hi-Tech Manufacturing, the Company manufactures engineered-to-order specialized equipment and systems used in various industries. These equipment or systems are part of larger setup related to any plant or factory. Estimating energy use and emissions for such assets and equipment is very difficult due to unavailability of data.
End-of-Life Treatment of Sold Products	Not relevant, not estimated	The Company's EPC Projects business, which contributes more than 80% of the revenue, provides EPC services for construction and assets created are owned by the clients. There is no product being sold to the clients. In Hi-Tech Manufacturing business, equipment or systems being manufactured are related to process plants and other industries and are intermediate products to the larger plants/machineries. Typical lifetime of such plant/machineries is high 15-20 yrs and there is no end-of-life treatment typically for such equipment or systems.
Downstream Leased Assets	Relevant, calculated	There are a few assets (offices) leased out by the Company. Electricity and fuel data for these assets is included for reporting this category. Applicable emission factors taken from UK DEFRA and CEA (Central Electricity Authority) India.
Franchises	Not relevant	The Company provides services or output to the clients directly. The Company does not have any Franchises and therefore, no emissions to be reported under this Category.
Investments	Not relevant	The Company's main businesses are EPC Projects (EPC services for construction of assets related to infrastructure and energy) and Hi-Tech Manufacturing. Investments or Financing is not part of business operations of the Company.

Business-wise Energy Consumption data for FY 2025-26

Business	Energy Consumption (Mn GJ)
Buildings & Factories (B&F)	0.77
Heavy Civil Infra (HCI)	2.77
Heavy Engineering (HE)	0.31
L&T Energy-CarbonLite Solutions (LTECLS)	0.09
L&T Realty	0.15
L&T Energy Hydrocarbon - Offshore	1.07
L&T Energy Hydrocarbon - Onshore	0.74
Larsen & Toubro Vyoma	0.07
Minerals & Metals (M&M)	0.33
Offices and other small businesses	0.20
Power Transmission & Distribution (PT&D)	0.57
Precision Engineering and Systems (PES)	0.14
Renewables (RENU)	1.18
Rubber Processing Machinery (RPM)	0.02
Transportation Infra (TI)	1.22
Water & Effluent Treatment (WET)	0.58

Business-wise Emissions data for FY 2025-26

Business	Emissions: Scope 1 and 2 (Mn tCO2e)
Buildings & Factories (B&F)	0.08
Heavy Civil Infra (HCI)	0.27
Heavy Engineering (HE)	0.02
L&T Energy-CarbonLite Solutions (LTECLS)	0.01
L&T Realty	0.02
L&T Energy Hydrocarbon - Offshore	0.08
L&T Energy Hydrocarbon - Onshore	0.06
Larsen & Toubro Vyoma	0.01
Minerals & Metals (M&M)	0.03
Offices and other small businesses	0.02
Power Transmission & Distribution (PT&D)	0.04
Precision Engineering and Systems (PES)	0.01
Renewables	0.09
Rubber Processing Machinery (RPM)	0.002
Transportation Infra (TI)	0.10
Water & Effluent Treatment (WET)	0.05

Water

Significant portion of water data is related to the EPC project sites of the Company, more than 600 in current year, and which are by definition temporary and with open boundaries. Water is taken from multiple sources, as per site conditions and discharged through multiple points. These issues create significant challenge in putting direct measurement systems. Therefore, Water data has been disclosed based on a combination of direct measurement and estimation. Direct measurement is either through the flowmeters or through the bills provided by the supplier. Estimation method has been used wherever direct measurement is not available. For water consumption in industrial activities, estimation has been done based on quantity of work done or production volumes and average water consumption per unit of production. E.g. for water consumption in concrete related works, volume of concrete produced is taken for quantity and water requirement per cu. mtr. is based on mix-design ratio as per QA/QC team. Water required for curing the concrete is also considered, based on similar principle. For water requirement in domestic activities i.e. human consumption, estimation has been done based on per capita water requirement as published by National Building Code, 2016. The Company has implemented IoT based flowmeters for measurement and put in place SOP for water data, covering withdrawal, consumption, wastewater generation and disposal, to ensure consistency and completeness in data reporting.

Business-wise water data for FY 2025-26

Business	Water Withdrawal (Mn kl)
Buildings & Factories (B&F)	3.76
Heavy Civil Infra (HCI)	4.51
Heavy Engineering (HE)	0.45
L&T Energy-CarbonLite Solutions (LTECLS)	0.34
L&T Realty	0.11
L&T Energy Hydrocarbon - Offshore	0.36
L&T Energy Hydrocarbon - Onshore	0.76
Minerals & Metals (M&M)	1.63
Offices and other small businesses	0.68
Power Transmission & Distribution (PT&D)	0.45
Precision Engineering and Systems (PES)	0.22
Renewables	0.98
Rubber Processing Machinery (RPM)	0.02
Transportation Infra (TI)	2.07
Water & Effluent Treatment (WET)	1.13

Waste

Direct measurement (weighment) of waste may not be feasible at all the locations, particularly at EPC project sites or for all types of wastes, and therefore, indirect estimation has been used in those locations or specific types of wastes. Specially, measurement of construction and demolition waste presents a significant challenge due to heterogeneous composition, voluminous nature and lack of standardised measurement protocols. Therefore, waste data has been disclosed based on a combination of direct measurement and estimation. All hazardous waste is based on direct measurement. Direct measurement is either through weighment and/or through the manifests or invoices provided by the waste processing agencies. Estimation method has been used primarily for some categories of non-hazardous waste wherever direct measurement was not available. Production or activity volume for the specific time-period and wastage % has been considered for the estimation e.g. concrete waste generated from concrete cube testing activity is estimated based on the number of cubes tested and size of cubes (standard dimensions). The Company has put in place SOP for waste data, covering generation, recycling or reuse and disposal, to ensure consistency and completeness in data reporting.

Business-wise waste data for FY 2025-26

Business	Hazardous Waste (tonnes)	Non-Hazardous (kilo tonnes)
Buildings & Factories (B&F)	101	78.94
Heavy Civil Infra (HCI)	489	97.97
Heavy Engineering (HE)	104	12.39
L&T Energy-CarbonLite Solutions (LTECLS)	13	0.81
L&T Realty	3	0.35
L&T Energy Hydrocarbon - Offshore	389	13.35
L&T Energy Hydrocarbon - Onshore	64	4.15
Larsen & Toubro Vyoma	2	0.01
Minerals & Metals (M&M)	81	13.76
Offices and other small businesses	87	2.41
Power Transmission & Distribution (PT&D)	2451	21.88
Precision Engineering and Systems (PES)	165	3.27
Renewables	332	53.90
Rubber Processing Machinery (RPM)	15	0.79
Transportation Infra (TI)	286	279.82
Water & Effluent Treatment (WET)	194	7.62

ESG ratings

The Company has obtained following ESG ratings in 2025:

- MSCI ESG Rating: Rated as **'A'**
- CDP: Rated as **'B'** for Climate Change, **'B-'** for Water Security, **'C'** for Forests
- ENR: Ranked **2nd** in 'Top 200 Environmental Firms' Survey
- Achilles: Rated as **'5 Star'** (Score of 88); rating is for L&T Energy Hydrocarbon
- CRISIL: Rated as **'Strong'** (Score of 62)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1	**Corporate Identity Number (CIN) of the Listed Entity**	L99999MH1946PLC004768
2	**Name of the Listed Entity**	Larsen & Toubro Limited
3	**Year of incorporation**	1946
4	**Registered office address**	L&T House, Ballard Estate, Mumbai- 400001, Maharashtra
5	**Corporate address**	L&T House, Ballard Estate, Mumbai- 400001, Maharashtra
6	**E-mail**	infodesk@larsentoubro.com
7	**Telephone**	+91 22 67525656
8	**Website**	www.larsentoubro.com

9	**Date of start of Financial Year**	**Start Date**	**End Date**
	Financial Year	01-04-2025	31-03-2026
	Previous Year	01-04-2024	31-03-2025
	Prior To Previous Year	01-04-2023	31-03-2024

10 **Name of the Stock Exchange(s) where shares are listed**

1. BSE Limited
2. National Stock Exchange of India Limited

11	**Paid-up Capital**	₹ 275.13 crore
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	
	Name of contact person	Santosh Kumar Singh, Chief Sustainability Officer
	Contact number of contact person	+91 22 61238564
	Email of contact person	sustainability@larsentoubro.com
13	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Standalone basis
14	**Name of assessment or assurance provider**	BDO India Services Private Limited
15	**Type of assessment or assurance obtained**	Reasonable Assurance for Core KPIs *[GHG footprint, water footprint, energy footprint, waste management, spend towards well-being measures and safety statistics of employees and workers, gross wages paid to females as % of wages paid, complaints on POSH, purchase from MSMEs and from within India, job creation in smaller towns, events related to data breach and cybersecurity, number of days of accounts payable and concentration of purchases & sales done with trading houses and related parties, loans and advances & investments with related parties].*

II. PRODUCTS/SERVICES

16. **Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of main activity	Description of business activity	% of turnover
1	Infrastructure Projects	Engineering and Construction of (a) Building and Factories, (b) Transportation Infrastructure, (c) Heavy Civil Infrastructure, (d) Power Transmission & Distribution, (e) Renewables, (f) Water & Effluent Treatment and (f) Minerals and Metals	69%
2	Energy Projects	EPC solutions in (a) Hydrocarbon Onshore and Offshore businesses covering oil & gas, refineries, petrochemicals & offshore wind energy sectors, from frontend design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning, and (b) CarbonLite Solutions business covering BTG scope for power generation plants including associated systems and/or carbon capture utilisation & utility packages	19%
3	Hi-Tech Manufacturing	Design, manufacture / construct, supply, revamp/retrofit of (a) Heavy Engineering business covering custom designed, engineered critical equipment & systems to the process plant and nuclear energy (b) Precision Engineering and Systems covering marine and land platforms including related equipment & systems; aerospace products & systems; precision and electronic products & systems for the defence, security, space and industrial sectors	9%

17. **Products/Services sold by the entity (accounting for 90% of the entity's turnover):**

S. No	NIC Code			Product/Services	% of total turnover contributed
	Group	Class	Sub Class		
1	251	2513	25133	Manufacture of auxiliary plant for use with steam generators (condensers, economizers, superheaters, steam collectors and accumulators)	3%
2	282	2824	28246	Manufacture of parts and accessories for machinery / equipment used by construction and mining industries	6%
3	410	4100	41001	Construction of buildings carried out on own-account basis or on a fee or contract basis	13%
4	421	4210	42101	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways,highways, bridges, tunnels and subways	20%
			42102	Construction and maintenance of railways and rail-bridges	
5	422	4220	42201	Construction and maintenance of power plants	17%
			42202	Construction / erection and maintenance of power, telecommunication and transmission lines	10%
			42204	Construction and maintenance of water main and line connection, water reservoirs including irrigation system (canal)	7%
			42205	Construction and repair of sewer systems including sewage disposal plants and pumping stations	
6	429	4290	42901	Construction and maintenance of industrial facilities such as refineries, chemical plants, etc.	16%

III. OPERATIONS

18. **Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	22	29	51
International	0	13	13

19. **Markets served by the entity:**

a. Number of locations

Location	Number
National (No. of States)	Pan-India
International (No. of Countries)	61

b. What is the contribution of exports as a percentage of the total turnover of the entity?

33%

c. A brief on types of customers

The Company's core businesses include EPC projects in infrastructure and energy, along with hi-tech manufacturing of equipment and systems for process plants and other industries. Government (sovereign, sub-national, local) and related entities are the primary customers, contributing ~ 65% of revenue, while the remaining business comes from private sector clients, both domestic and international, across diverse sectors. Approximately 67% of revenue is derived from domestic (India-based) customers.

IV. EMPLOYEES

20. **Details as at the end of Financial Year:**

a. **Employees and workers (including differently abled):**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	53,636	48,502	90.4%	5,134	9.6%
2.	Other than Permanent (E)[1]	3,741	3,547	94.8%	194	5.2%
3.	**Total employees (D + E)**	57,377	52,049	90.7%	5,328	9.3%
`	**WORKERS**					
4.	Permanent (F)	2,026	2,012	99.3%	14	0.7%
5.	Other than Permanent (G)	3,78,039	3,75,653	99.4%	2,386	0.6%
6.	**Total workers (F + G)**	3,80,065	3,77,665	99.4%	2,400	0.6%

[1] *Other than permanent employees comprise Fixed Term Employees (FTEs). 'Permanent' workers include only those workers who are employed for full-time or part-time work with L&T for an indeterminate period. 'Other than Permanent' workers include workers on third-party roll and on contract.*

b. **Differently abled Employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	57	54	94.7%	3	5.3%
2.	Other than Permanent (E)	10	9	90.0%	1	10.0%
3.	**Total differently abled employees (D + E)**	67	63	94.0%	4	6.0%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	10	10	100%	0	0%
5.	Other than Permanent (G)	7	7	100%	0	0%
6.	**Total differently abled workers (F + G)**	17	17	100%	0	0%

21. **Participation/Inclusion/Representation of women**

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	17	1	5.9%
Key Management Personnel	1	0	0

22. **Turnover rate for permanent employees and workers**

Particulars	FY 2025-26 [values in %]			FY 2024-25 [values in %]			FY 2023-24 [values in %]		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.2%	10.7%	7.5%	7.8%	11.8%	8.1%	11.5%	14.0%	11.7%
Permanent Workers	9.5%	0%	9.5%	6.9%	28.6%	7.0%	9.5%	0%	9.5%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) **Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the Company (A)	Subsidiary / Associate / Joint Venture	% of Stake held	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
1	Bhilai Power Supply Company Limited	Subsidiary	99.90	No
2	L&T Aviation Services Private Limited	Subsidiary	100	No
3	L&T Capital Company Limited	Subsidiary	100	No
4	L&T Global Holdings Limited	Subsidiary	100	No
5	Larsen & Toubro International FZE	Subsidiary	100	No
6	L&T Community Welfare Association	Subsidiary	^	No
7	L&T Community Healthcare Association	Subsidiary	^	No
8	Raykal Aluminium Company Private Limited	Joint Venture	75.50	No
9	L&T Semiconductor Technologies Limited	Subsidiary	100	No
10	Sufin Limited	Subsidiary	100	No
11	L&T Special Steels & Heavy Forgings Private Limited	Subsidiary	100	No

S. No.	Name of the Company (A)	Subsidiary / Associate / Joint Venture	% of Stake held	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
12	L&T Construction Equipment Limited	Subsidiary	100	No
13	L&T Modular Fabrication Yard LLC	Subsidiary	70	No
14	L&T Hydrocarbon Saudi Company LLC	Subsidiary	100	No
15	Larsen & Toubro Electromech LLC	Subsidiary	70	No
16	Larsen Toubro Arabia LLC	Subsidiary	75	No
17	L&T Offshore Marine Private Limited *(Formerly L&T Sapura Shipping Private Limited)*	Subsidiary	100	No
18	L&T Energy Offshore Wind B.V.	Subsidiary	100	No
19	Hydrocarbon Arabia Limited Company	Joint Venture	60	No
20	Hi-Tech Rock Products & Aggregates Limited	Subsidiary	100	No
21	Larsen & Toubro (East Asia) SDN. BHD +	Subsidiary	30	No
22	Larsen & Toubro Oman LLC	Subsidiary	65	No
23	Larsen & Toubro Saudi Arabia LLC	Subsidiary	100	No
24	Larsen & Toubro T&D SA Proprietary Limited	Subsidiary	72.50	No
25	L&T Geostructure Private Limited	Subsidiary	100	No
26	Larsen & Toubro CIS Foreign Enterprise LLC	Subsidiary	100	No
27	Larsen & Toubro Kuwait Construction General Contracting Company,W.L.L. +	Subsidiary	49	No
28	PT. Larsen & Toubro	Subsidiary	100	No
29	L&T Valves Limited	Subsidiary	100	No
30	L&T Valves USA LLC	Subsidiary	100	No
31	L&T Valves Arabia Manufacturing LLC	Subsidiary	100	No
32	L&T Himachal Hydropower Limited	Subsidiary	100	No
33	L&T Power Development Limited	Subsidiary	100	No
34	Nabha Power Limited	Subsidiary	100	No
35	L&T MBDA Missile Systems Limited	Joint Venture	51	No
36	LTH Milcom Private Limited	Joint Venture	56.67	No
37	L&T Howden Private Limited	Joint Venture	50.10	No
38	L&T-MHI Power Boilers Private Limited	Joint Venture	51.00	No
39	L&T-MHI Power Turbine Generators Private Limited	Joint Venture	51.00	No
40	L&T-Sargent & Lundy Limited	Joint Venture	50.01	No
41	L&T Network Services Private Limited	Subsidiary	100	No
42	L&T Energy Green Tech Limited	Subsidiary	100	No
43	L&T Electrolysers Limited	Subsidiary	100	No
44	L&T Green Energy Kandla Private Limited	Subsidiary	100	No
45	Panipat Green Hydrogen Private Limited	Subsidiary	100	No
46	L&T Finance Limited	Subsidiary	65.99	No*
47	L&T Financial Consultants Limited	Subsidiary	65.99	No

S. No.	Name of the Company (A)	Subsidiary / Associate / Joint Venture	% of Stake held	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
48	L&T Infra Investment Partners Advisory Private Limited	Subsidiary	65.99	No
49	L&T Infra Investment Partners Trustee Private Limited	Subsidiary	65.99	No
50	LTIMindtree Information Technology Services (Shanghai) Co. Ltd.	Subsidiary	68.52	No
51	LTIMindtree Spain S.L.~	Subsidiary	68.64	No
52	LTIMindtree Financial Services Technologies Inc	Subsidiary	68.52	No
53	LTIMindtree Sociedad De Responsabilidad Limitada De Capital Variable	Subsidiary	68.52	No
54	LTIMindtree Canada Limited	Subsidiary	68.52	No
55	LTIMindtree Gmbh	Subsidiary	68.52	No
56	LTM Limited (Formerly LTIMindtree Limited)	Subsidiary	68.52	No*
57	LTIMindtree Norge AS	Subsidiary	68.52	No
58	LTIMindtree South Africa (Pty) Limited	Subsidiary	47.68	No
59	LTIMindtree Switzerland Ag	Subsidiary	68.52	No
60	LTIMindtree (Thailand) Limited	Subsidiary	68.52	No
61	LTIMindtree S.A	Subsidiary	68.52	No
62	LTIMindtree PSF S.A	Subsidiary	68.52	No
63	LTIMindtree USA Inc	Subsidiary	68.52	No
64	LTIMindtree UK Limited	Subsidiary	68.52	No
65	LTIMindtree Middle East FZ-LLC	Subsidiary	68.52	No
66	LTIMindtree Consulting Brazil Ltda	Subsidiary	68.52	No
67	LTIM Aramco Digital Solutions for Information Technology Company	Subsidiary	34.94	No
68	Chennai Vision Developers Private Limited	Subsidiary	100	No
69	L&T Realty Developers Limited	Subsidiary	100	No
70	L&T Realty Properties Limited	Subsidiary	100	No
71	Elante Properties Private Limited	Subsidiary	100	No
72	Prime Techpark (Chennai) Private Limited	Subsidiary	100	No
73	Bangalore Galaxy Techpark Private Limited	Subsidiary	100	No
74	Chennai Nova Techpark Private Limited	Subsidiary	100	No
75	Business Park (Powai) Private Limited	Subsidiary	100	No
76	Corporate Park (Powai) Private Limited	Subsidiary	100	No
77	Millennium Techpark (Chennai) Private Limited	Subsidiary	100	No
78	LH Residential Housing Private Limited	Subsidiary	100	No
79	LH Uttarayan Premium Realty Private Limited	Subsidiary	100	No
80	Graphene Solutions SDN.BHD	Subsidiary	73.57	No
81	L&T Technology Services Pte. Ltd.	Subsidiary	73.57	No

S. No.	Name of the Company (A)	Subsidiary / Associate / Joint Venture	% of Stake held	Does the entity indicated at column (A), participate in business responsibility initiatives of the listed entity? (Yes/No)
82	Graphene Solutions Taiwan Ltd.	Subsidiary	73.57	No
83	L&T Technology Services Limited	Subsidiary	73.57	No*
84	L&T Technology Services LLC	Subsidiary	73.57	No
85	L&T Technology Services (Shanghai) Co. Ltd.	Subsidiary	73.57	No
86	L&T Technology Services (Canada) Limited	Subsidiary	73.57	No
87	L&T Thales Technology Services Private Limited	Subsidiary	54.44	No
88	L&T Technology Services Poland Sp. Z O.O. W Organizacji	Subsidiary	73.57	No
89	Intelliswift Software (India) Private Limited	Subsidiary	73.57	No
90	Intelliswift Software Inc.	Subsidiary	73.57	No
91	Intelliswift Software (Hungary) Kft	Subsidiary	73.57	No
92	Intelliswift Software (Costa Rica) Limitada	Subsidiary	73.57	No
93	Intelliswift Software (Canada) Inc	Subsidiary	73.57	No
94	Global Infotech Corporation	Subsidiary	73.57	No
95	P. Murphy & Associates Inc	Subsidiary	73.57	No
96	L&T Metro Rail (Hyderabad) Limited	Subsidiary	99.99	No
97	GH4India Private Limited	Joint Venture	33.33	No
98	Indiran Engineering Projects and Systems Kish (LLC)	Joint Venture	50.00	No
99	Gujarat Leather Industries Limited [@]	Associate	50.00	No
100	Magtorq Private Limited	Associate	42.85	No
101	L&T Camp Facilities LLC [@]	Associate	49.00	No
102	Larsen & Toubro Qatar & HBK Contracting Co. W.L.L. [@]	Associate	50.00	No
103	E2E Networks Limited	Associate	18.45	No
104	Grameen Capital India Private Limited [$]	Associate	17.16	No
105	Larsen & Toubro Qatar LLC[@ +]	Subsidiary	49.00	No
106	L&T Heavy Engineering LLC [@]	Subsidiary	70.00	No

[@] Under Liquidation

^ Company Limited by Guarantee & Subsidiaries as per Companies Act, 2013

** These subsidiaries have a separate BRSR.*

[$] Associate of a Subsidiary under Companies Act, 2013

+ Subsidiary by virtue of control over composition of Board of Directors

~ Dissolved on March 31, 2026

VI. CSR DETAILS

24. CSR Details

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (in ₹ crore)	1,53,680
Net worth (in ₹ crore)	74,533

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) if Yes, then provide web-link for grievance redress policy	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	15	0		0	0	
Investors (other than shareholders)	Yes	0	0		0	0	
Shareholders[2]	Yes	447	41		366	9	
Employees and workers	Yes	578	0		886	3	
Customers	Yes	357	34		265	26	
Value Chain Partners (suppliers)	Yes	238	78		52	20	
Others	Yes	59	38	Whistleblower complaints	35	19	Whistleblower complaints

[2] *Reported as under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

The Company has various grievance redressal processes for the stakeholders. Details are as:

Investors and Shareholders: The Company has established a dedicated grievance redressal mechanism through IGRC@larsentoubro.com, enabling investors and shareholders to raise concerns in a structured and accessible manner. In addition, multiple channels are available for submission of grievances, including:

- Physical letters addressed to the Company
- E-mails to the Registrar and Transfer Agent (RTA), KFin Technologies Ltd. (KFintech), at einward.ris@kfintech.com
- Telephone calls or in-person visits to registered office of Company in Mumbai, RTA office in Hyderabad
- **SCORES:** SEBI's online grievance redressal platform
- **SmartODR:** Securities Market Approach for Resolution through Online Dispute Resolution

Grievances received through the IGRC e-mail are addressed promptly where requisite details are available. Complaints received by the RTA are forwarded to the Company, with scanned records accessible through the Karisma system (KFintech portal). The Company regularly monitors the Inward Report on the Karisma portal to ensure adherence to the defined Service Level Agreement (SLA) timelines of 30 days for resolution of queries and complaints. On a quarterly basis, the Company discloses to the Stock Exchanges the number of complaints received and resolved. These reports are also reviewed by the Stakeholders' Relationship Committee and presented to the Board, ensuring appropriate oversight and governance.

Supply chain partners: The Company has dedicated vendor management platform, *Partner Portal*, across business verticals to capture and address grievances from supply chain partners. The platform enables structured handling of issues related to contractual matters, including administrative and statutory compliances, payments and invoicing, contractual terms, scheduling and delivery of materials and services and quality non-conformances. The typical resolution timeline for such grievances is 30 - 45 working days, with more complex cases requiring additional time. For grievances beyond contractual matters, such as concerns relating to unethical behaviour, misconduct, violations of legal or regulatory requirements or fraud, the Company has established a Whistleblower Policy for Vendors and Channel Partners. This policy provides a formal mechanism for reporting and addressing such issues and is accessible to all registered vendors across the Company. The policy is publicly available at Corporate Policies.

The grievance redressal mechanisms for employees, contract workers, community and customers are explained in Principle 3, Principle 8 and Principle 9 respectively.

26. **Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format**

The Company has conducted a comprehensive double materiality assessment to identify and prioritise key ESG issues that are significant both in terms of the Company's impact on the economy, environment and society and impact of such issues on the Company. *Detailed disclosures on material topics and related information are provided in the 'Understanding Materiality' section of the Integrated Annual Report FY 2025-26.*

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

Disclosure Questions		Principles								
Policy and management processes		**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes, each principle and its core elements are covered by one or more policies of the Company.								
	b. Has the policy been approved by the Board? (Yes/No)	Yes, the policies are approved by the Board or the Board Committee or Executive Committee of the Company								
	c. Web Link of the Policies, if available	Available at Corporate Policies								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	The Company has translated its policies into operational procedures, which are either embedded within the policies or documented separately as Standard Operating Procedures (SOPs) and internal guidelines to ensure effective implementation.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Company's policies extend to value chain partners through frameworks such as the Code of Conduct for Suppliers, which outlines expectations on ethical business practices, labour rights, health and safety and environmental stewardship. In addition, policies such as the Whistleblower Policy for Vendors and Channel Partners are applicable to supply chain partners, providing appropriate channels to report concerns and reinforcing transparency and accountability across the value chain.								
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	P1: SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 P2: SA 8000, ISO 14001, ISO 45001 P3: Factories Act, 1948, Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, SA 8000, ISO 45001 P5: Factories Act, 1948, Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, SA 8000, Contract Labour (Regulation and Abolition) Act, 1970 P6: ISO 14001, ISO 50001 P8: CSR disclosures pursuant to Section 135 of the Companies Act, 2013 P9: ISO 27001								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.		(a)	(e) (f)		(f)	(a)(b) (c)		(d)	
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.		(a)	(e) (f)		(f)	(a)(b)(c)		(d)	

#	Parameter/Metric	Target FY 2025 -26	Achieved FY 2025-26
(a)	Green Business (% of revenue)	55%	51%
(b)	Emissions Intensity Reduction	30% [baseline year FY 2020-21]	32%
(c)	Tree plantation	1.5 -2 million per year	1 million Avg. ~2 Mn/year (FY2022-26)
(d)	CSR project beneficiaries	2 million	1.9 million
(e)	Gender diversity	10%	9.6%
(f)	Vision KNOW Harm		LTIFR: 0.02 (Employees) 0.09 (Workers)

Governance, leadership and oversight

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.**

L&T's commitment to the society and the environment, embedded in our Sustainability Vision *'For a Better World'*, continues to be a fundamental driver of long-term value creation and business resilience. In an increasingly volatile global environment marked by geopolitical uncertainties and supply chain disruptions, commitments to environmental and social priorities are being tested worldwide. However, in alignment with national priorities and our ethos, sustainability remains strategic imperatives for the Company.

As a part of our commitment to environmental stewardship, the Company has set ambitious targets of achieving Carbon Neutrality by 2040 and Water Neutrality by 2035. These goals have been operationalised through structured five-year cycles aligned with business strategy planning under Lakshya. During the first cycle (FY 2020-21 to FY 2025-26), we achieved a 32% reduction in GHG emissions intensity, primarily driven by a corresponding reduction in energy intensity.

While further decarbonisation opportunities remain, particularly through increased adoption of renewable electricity, currently at 19%, the Company is adopting Group Captive renewable power arrangements for key manufacturing facilities and offices. Our businesses continue to focus on targeted initiatives including energy efficiency improvements, adoption of low- and zero-carbon fuels and scaling renewable energy usage.

Progress towards Water Neutrality is being driven through a multi-pronged approach encompassing water use efficiency, wastewater recycling and increased reliance on non-freshwater sources. Rainwater harvesting continues to be a key lever, with enhanced capacity created at major manufacturing locations. Across EPC project sites, wastewater recycling reached 2.7 million kl in FY 2025-26.

In addition, water stewardship efforts are complemented by community-based interventions under our CSR programmes. Independent assessments of water conservation potential across project locations indicate that approximately 4 million kl water were conserved during the year. These efforts contributed to a 25% reduction in net freshwater withdrawal intensity compared to the previous year, reinforcing our path towards Water Neutrality by 2035.

Recognising sustainability as a key business opportunity, L&T developed a portfolio of 'Green Business' offerings that enable customers to reduce environmental impact and optimise resource efficiency. This portfolio continues to expand, contributing meaningfully to revenue and positioning the Company to capitalise on emerging low-carbon and sustainable infrastructure opportunities. For FY 2025-26, the 'Green Business' portfolio revenue stood at ~₹ 78,700 Cr., contributing 51% to the Company's total revenue. L&T's leadership in offering solutions for a sustainable future has also been recognized by Engineering News-Record (ENR), one of the globally recognised publications in the construction industry and we have enhanced our standing to 2nd from 3rd rank in Top 200 Environmental Firms Survey conducted annually.

On the social front, Health and safety remain paramount. A strengthened Corporate EHS function drives implementation of our safety strategy, 'VISION K**NO**W HARM', focused on proactive risk identification and strict adherence to safety protocols. During FY 2025-26, we have recorded 7.4 million safety training hours and over 3,75,000 contract workers underwent structured health and safety training, reinforcing a strong safety culture across operations.

Corporate Social Responsibility has long been integral to L&T's values. In FY 2025-26, CSR initiatives positively impacted approximately 1.9 million lives across India. Our flagship programme, Unnati (Integrated Community Development Programme), continues to enhance resilience in water-stressed regions, benefiting over 30,000 households and significantly improving groundwater levels. New initiatives such as *Nayi Disha* focus on strengthening communities of migrant construction workers, while *Project Jyoti* is transforming STEM education in government schools through digital infrastructure and experiential learning, improving student outcomes and engagement. The Company is actively scaling these proven models to maximise impact across geographies, contributing to inclusive growth, reduced inequalities and community empowerment.

Beyond programmes, we are strengthening systems, processes and disclosures. We remain committed to aligning with global standards, enhancing transparency and integrating sustainability across the value chain, from employee well-being and circular economy practices to clean energy transition and responsible supply chains.

'Every great story begins with a leap' reflects our belief in taking purposeful strides - leveraging technology, raising our ambitions and delivering measurable impact across ESG priorities. As we move forward, we remain focused on creating enduring value for all our stakeholders while contributing to a more resilient, inclusive, and sustainable future.

8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

   The Chairman & MD and the Board are the highest authority responsible for implementation and oversight of the Business Responsibility policies.

9. **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**

   Yes, the Company's CSR & Sustainability Committee of the Board is responsible for decision making on sustainability related issues. *For details of the composition, role and terms of reference, please refer to Annexure 'B' to the Board Report in the Integrated Annual Report FY 2025-26.*

10. **Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee					Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)			
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes, the performance against policies is reviewed by the Board or the Board Committees or the Executive Committee (as applicable) on periodically.								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company complies with the relevant regulations as applicable against each principle.								

11. **Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

    The Company's policies are translated into action through robust, well defined governance frameworks, processes and management systems. The effectiveness of these systems is subject to regular independent evaluation through third party certifications and audits conducted by internationally recognised agencies. Across its businesses and operational facilities, the Company maintains over 300 global certifications, reflecting conformance with a broad spectrum of internationally accepted standards. These include, among others, ISO/IEC 27001 (Information Security Management Systems), ISO 14001 (Environmental Management Systems), ISO 45001 (Occupational Health and Safety Management Systems), ISO 9001 (Quality Management Systems), SA 8000 (Social Accountability), ISO 29001, ISO 50001 (Energy Management Systems), ISO 20000, ISO 30400 series (Human Capital Management), ISO 56000 series (Innovation Management), ISO 31000 series (Risk Management) and other sector specific and functional standards.

    As part of the certification and surveillance process, independent external agencies assess the effectiveness of the Company's policies and management systems through comprehensive reviews of governance structures, documented procedures, operational controls, performance records and monitoring mechanisms. These assessments provide assurance on compliance with applicable standards, support continuous improvement and reinforce the integrity and effectiveness of the Company's policy implementation framework.

12. **If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)				Not applicable					
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.

ESSENTIAL INDICATORS

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons covered by the awareness programmes
Board of Directors	8	Business overview and operations, strategy, risk, sustainability, Regulations and Laws	98%
Key Managerial Personnel	31	Compliance, regulations and laws, Risk, sustainability, Artificial Intelligence	100%
Employees other than BoD and KMPs	9,493	Code of conduct, safety, human rights, POSH, diversity and inclusion, sustainability and cybersecurity. Need-based training is also provided to employees aligned to their jobs and roles, covering aspects such as skill-based, behavioural competency, leadership development, project management, digital technologies, data analytics	100%
Workers	74,205	Health and safety, human rights, disaster management, environment management, sexual harassment, labour laws, worker rights. Safety trainings for specific works/ job e.g. working at height, electrical work, heavy lifting, LOTO procedures, high voltage installation	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	No cases reported during FY 2025-26				
Settlement					
Compounding fee					

Non-Monetary			
NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment Punishment	No cases reported during FY 2025-26		

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   No cases reported during FY 2025-26.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes. The Company has in place a comprehensive Anti Bribery and Anti Corruption (ABAC) Policy that provides a structured framework to prevent, identify and address bribery and corruption risks across all its operations. The ABAC Policy explicitly prohibits all forms of bribery and corrupt practices, including facilitation payments, kickbacks, improper inducements and other unlawful or unethical payments, whether direct or indirect. The policy is aligned with applicable Indian laws, including the Prevention of Corruption Act and reflects internationally accepted principles of ethical business conduct.

   The policy is applicable to all employees, including Board Members and Senior Management and is extended to associated persons, intermediaries and value chain partners through the Company's Code of Conduct for Suppliers. Effective implementation of the policy is supported by robust internal controls, risk based monitoring mechanisms, periodic compliance reviews and structured training and awareness programmes.

   The anti corruption framework is further strengthened through complementary governance instruments, including the Code of Conduct for Board Members and Employees, the Whistle Blower Policy and the Whistle Blower Policy for Vendors and Channel Partners, which enable confidential reporting of concerns and ensure timely, independent investigation and resolution. The Company maintains a zero tolerance approach to bribery and corruption and is committed to fostering a culture of integrity, transparency and ethical conduct across its operations and value chain. The ABAC Policy is available at Corporate Policies.

   For more information on ABAC disclosures, please refer to 'Sustainability Governance' chapter of the Integrated Annual Report FY 2025-26.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

	FY 2025-26		FY 2024-25	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0		0	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   No cases or complaints received in the above matters.

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2025-26	FY 2024-25
Number of day of accounts payables	128	123

Previous year's figure has been restated to reflect the merger of a subsidiary with L&T Standalone.

9. **Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.45%	0.28%
	b. Number of trading houses where purchases are made from	25	25
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	96.2%	89.5%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not applicable	
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	7.21%	4.34%
	b. Sales (Sales to related parties / Total Sales)	1.46%	1.27%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	26.11%	20.96%
	d. Investments (Investments in related parties / Total Investments made)	48.09%	58.71%

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the FY:**

Sr.no	Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	3	Basics of sustainability, regulatory landscape including global & Indian including National Guidelines on Responsible Business Conduct (NGRBC) Principles and SEBI's BRSR Core, L&T's policies and code of conduct, health and safety, human rights, environment parameters, ESG assessment being conducted by the Company and other good practices on ESG	Approximately 170 companies participated in these sessions representing over 230 attendees, including supply chain partners from multiple geographies.
2	1	In-depth training sessions carried out by a third party on governance, ethical business practices, human rights and labour management, health and safety and environment	180 critical supply chain partners contributing to ~19% by value of business

Partners are selected based on their criticality to business operations, scale of engagement and potential environmental and social risks. In line with the nine Principles of the National Guidelines for Responsible Business Conduct (NGRBC), the Company undertakes structured programmes to enhance awareness and strengthen responsible practices across its supply chain, including contractors and subcontractors. Key focus areas during the year include:

Safety: The Company continues to place the highest emphasis on safety across all project sites and manufacturing locations. Regular training and sensitisation sessions are conducted for employees, contractual workers and subcontractors, covering:

a) Safety induction and hazard identification

b) Appropriate use of Personal Protective Equipment (PPE)

c) Occupational health and hygiene practices

d) Emergency preparedness and response

e) Job-specific safety protocols, including working at heights, excavation safety, tunnelling safety and hot work procedures

f) To institutionalise a strong safety culture, it is mandatory for all individuals-including employees, contractor workforce, vendor personnel, customers and visitors-to undergo safety induction prior to commencing any activity at project sites or manufacturing facilities.

Sustainability and Responsible Business Practices: During FY 2025-26, the Company scaled up the sustainability awareness among its supply chain partners. Key initiatives include:

- Conducted two structured virtual training sessions for 180 critical supply chain partners
- Conducted in person training session for Middle East supply chain partners
- Undertook ESG assessments for 169 critical supply chain partners through an independent third-party agency
- Organised multiple handholding and guidance sessions to support partners in understanding assessment requirements, improving disclosures and strengthening their ESG performance

These initiatives are aimed at embedding responsible business conduct across the value chain, enhancing transparency and enabling supply chain partners to align with evolving regulatory and stakeholder expectations. *For further details, refer to 'Social and Relationship Capital' of the Integrated Annual Report FY 2025-26.*

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If Yes, provide details of the same.**

Yes. The Company has established a formal and robust framework to identify, disclose and manage conflicts of interest involving members of the Board. Under this framework, Directors are required to make timely and full disclosures of any actual, potential, or perceived conflicts of interest, including those arising from other directorships, fiduciary responsibilities or business relationships. Where a conflict is identified, the concerned Director is required to recuse himself or herself from deliberations and decision making on the relevant matter, in accordance with applicable laws, governance norms and internal policies.

Board Members are expected to discharge their duties in good faith and in the best interests of the Company, always exercising independent and objective judgment. They are required to avoid any situation that could compromise their impartiality or give rise to undue influence and are prohibited from using their position for personal benefit, whether directly or indirectly, to the detriment of the Company or its stakeholders. Any conflict of interest involving a Board Member is required to be promptly reported to the Chairman of the Audit Committee and/or the Chairman of the Board, as appropriate. These disclosures are overseen through established governance processes to ensure transparency, accountability and adherence to high standards of ethical conduct. This structured approach reinforces the Company's commitment to sound corporate governance and effective Board oversight.

Principle 2: Businesses should provide goods and services in a manner that is Sustainable and Safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	2.7% [₹ 4.8 Cr]	5.4% [₹ 9.5 Cr]	A few initiatives, but not limited to, stated below:
Capex	2.7% [₹ 69.9 Cr]	2.8% [₹ 42.6 Cr]	• Replacing old equipment with higher energy efficiency or productivity equipment • Installation of rooftop solar systems; Installation of solar powered equipment e.g., light masts • Installation of sewage treatment plant, effluent treatment plant for wastewater treatment and recycling • Installation of water flowmeters and smart meters • Purchase of bio-digestor for recycling canteen waste • Spend on facilities for skill training institutes

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. The Company has established procedures for sustainable sourcing as an integral part of its commitment to responsible and ethical business practices. Sustainability considerations are systematically embedded across procurement processes and supplier engagement frameworks, recognising the material environmental, social and governance impacts associated with the supply chain. L&T expects its suppliers and business partners to adopt appropriate policies, systems and management practices in line with the Company's Sustainable Supply Chain Policy and Code of Conduct for Suppliers. These frameworks set out clear expectations on ethical conduct, environmental stewardship, respect for human rights, health and safety and regulatory compliance.

Through these procedures, the Company promotes responsible sourcing practices, encourages continuous improvement in ESG performance across the value chain and seeks to build long term, resilient relationships with suppliers that are aligned with its sustainability objectives.

Key Principles:

- **Environmental Responsibility:** Efficient use of resources, conservation of energy and water, increased use of recycled materials and adoption of a precautionary approach to environmental management.
- **Human Rights and Labour Practices:** Compliance with health and safety standards (aligned with ISO 45001), timely payment of wages and strict prohibition of child and forced labour.
- **Ethical Business Practices:** Adherence to anti-corruption principles and responsible business conduct.

Key Sustainable Sourcing Practices:

- A **Sustainable Supply Chain Policy** that defines expectations on environmental protection, occupational health and safety, labour standards, human rights, ethical conduct and governance.
- **Supplier Code of Conduct** applicable to all vendors, covering ESG requirements including ethics, human rights and environmental compliance.
- **Capacity building and handholding** of critical suppliers to improve ESG performance.
- **Supplier sustainability assessments** conducted annually for select critical suppliers by an independent third party, with both online and onsite audits.
- **Training and awareness programme** conducted for more than 1,200 Tier-I supply chain partners in the last three years.

- Promotion of **low-carbon and recycled materials,** including use of steel produced through electric arc/ induction furnace routes and blended cement in place of Ordinary Portland Cement, wherever feasible and aligned with technical specifications.

b. If yes, what percentage of inputs were sourced sustainably?

Accounts for ~20% of procurement value, based on sourcing from 210 'Green'-rated critical supply chain partners under the Company's sustainability assessment programme, conducted by an independent third-party agency.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

(a) Plastics (including packaging): NA

(b) E-waste: NA

(c) Hazardous waste: NA

(d) other waste: NA

The Company's manufacturing businesses primarily produce engineered-to-order products tailored to the requirements of process plants and industrial customers, contributing to less than 10% of total revenue. These products typically comprise large, complex equipment and systems with long operational lifecycles of 15-20 years. Given their customised nature and end-use applications, such products are not designed for reclamation at the end of their life. For its own operations, the Company has a comprehensive waste management system that covers segregation, recycling, reuse and safe disposal, in compliance with applicable regulatory requirements.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?**

The Extended Producer Responsibility (EPR) framework, as notified by the Ministry of Environment, Forest and Climate Change (MoEFCC), is applicable to the Company primarily in its capacity as an importer, with obligations arising from associated waste streams. These include plastic waste from non-packaging of imported materials, e-waste from imported electrical and electronic equipment and battery waste from imported batteries or equipment containing batteries. In compliance with applicable regulations, the Company has obtained the requisite registrations as an importer under the EPR Rules for Plastic Waste, E-Waste and Battery Waste. It has also established appropriate systems and processes to ensure effective fulfilment of its EPR obligations, including collection, channelisation and environmentally sound disposal of such waste streams through authorised mechanisms.

With the progressive expansion of the EPR framework to cover additional categories such as construction & demolition waste, non-ferrous wastes, the Company actively monitors evolving regulatory developments. It remains committed to ensuring timely preparedness and compliance as these regulations are further operationalised.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Product portfolio constitutes less than 10% of the Company's revenue. In the past, LCA has been carried out by Heavy Engineering business of the Company for select products.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
	Not applicable	

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Fly ash and Ground Granulated Blast-furnace Slag (GGBS) in place of Cement	9.2%	8.8%

The data reported above is based on the procurement value of recycled or reused input material as a percentage of total bulk materials (fly ash, GGBS and cement) procured by the Company in the year. Based on quantity (by weight), the percentage of fly ash and GGBS used in place of cement is 17.6%. Use of fly ash or GGBS in concrete is governed by limits prescribed under IS or other relevant codes. While the Company tries to maximise use of recycled (waste) materials, the design mix of concrete and approval for use of the same in the project is controlled by the customers.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:**

Particulars	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	'Not applicable' for the Company; reason stated in Question 3 of Essential Indicators under Principle 2.					
E-waste						
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

'Not applicable' for the Company; reason stated in Question 3 of Essential Indicators under Principle 2.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. **Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits [3]		Day Care Facilities [4]	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E /A)	Number (F)	% (F /A)
Permanent Employees											
Male	48,502	48,502	100%	48,502	100%	Not applicable		0	0	14,403	30%
Female	5,134	5,134	100%	5,134	100%	5,134	100%	Not applicable		5,134	100%
Total	53,636	53,636	100%	53,636	100%	5,134	100%	0	0	19,537	36%
Other than Permanent employees											
Male	3,547	3,547	100%	3,547	100%	Not applicable		0	0	1,525	43%
Female	194	194	100%	194	100%	194	100%	Not applicable		194	100%
Total	3,741	3,741	100%	3,741	100%	194	100%	0	0	1,719	46%

[3] *The Company does not have a paternity leave policy.*

[4] *Data is based on the coverage of creche/day care facility available to the employees in a particular location and not as per usage/availing of creche facility. In case creche facility is not available, creche allowance in provided to female employees (permanent and non-permanent) and permanent female workers.*

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	2,012	2,012	100%	2,012	100%	Not applicable		0	0	1,453	72%
Female	14	14	100%	14	100%	14	100%	Not applicable		14	100%
Total	2,026	2,026	100%	2,026	100%	14	100%	0	0	1,467	72%
Other than Permanent workers											
Male	3,75,653	91,981	24%	3,75,653	100%	Not applicable		0	0	12,660	3%
Female	2,386	923	39%	2,386	100%	2,386	100%	Not applicable		660	28%
Total	3,78,039	92,904	25%	3,78,039	100%	2,386	100%	0	0	13,320	4%

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.**

The Company is dedicated to ensuring the comprehensive well-being of its employees and workers through a blend of statutory and voluntary welfare measures. These initiatives focus on enhancing physical health, mental and emotional well-being, financial security, work-life balance and opportunities for professional development.

Expenditure related to protective gear and safety equipment are not itemised separately, as these are part of any activity or operations that are carried out. This expenditure is included within indirect or directs costs booked for any contract or business.

The table below presents the total cost incurred on employee well-being measures, including measures such as medical and health insurance, medical benefits, maternity benefits, staff welfare, worker compensation and canteen expenses.

Particulars	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	0.54% [~₹ 822 Cr]	0.49% [~₹ 700 Cr]

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	0%	25%	Yes	0%	76%	Yes

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company promotes an inclusive and accessible workplace in line with the Rights of Persons with Disabilities Act, 2016. Most of the premises include ramps, dedicated parking spaces and elevators with accessibility features to support differently abled people.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   The Company is committed to providing equal opportunities in employment and fostering an inclusive work environment, which is also in line with the Rights of Persons with Disabilities Act, 2016. The Company's Equal Opportunity Policy, available at Corporate Policies, outlines the guiding principles for ensuring equal and equitable opportunities for all employees and workers, while upholding the highest standards of ethics, values and governance across people practices.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers[5]	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	Not applicable		Not applicable	
Female	96%	87%	0%	0%
Total	96%	87%	0%	0%

[5] *Permanent female workers are also extended maternity leave and related benefits, though none of them availed during the FY.*

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Particulars	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	Registration and redressal are done through worker union or Joint Management Council or Complaints and Grievance Committee.
Other than Permanent Workers	Yes	Contractual workers, over 3,75,000 in number for FY 2025-26, are recognized as critical yet vulnerable stakeholders by the Company. The Company has established structured and accessible grievance redressal mechanisms to ensure that their concerns are addressed in a fair, transparent and timely manner. Contractual workers may raise grievances individually or collectively, either directly or through designated worker representatives. These grievances may relate to working conditions, living conditions at labour colonies, wage-related matters, or any other employment-related concerns. **Manufacturing Facilities:** Contract labour management cells and Industrial Relations (IR) departments are responsible for overseeing the well-being of contractual workers. Key elements of the framework include: • Periodic interactions between IR teams, contractors and contractual workers to understand and mitigate their grievances • Records are maintained and periodically reviewed by the senior management. • Formation of worker representative committees to ensure fair representation, which regularly engage with management to raise and resolve issues • Certification of select facilities to SA8000 standards, reinforcing adherence to internationally recognised labour and human rights practices **EPC Project Sites:** A formalised grievance redressal system is implemented across locations through grievance redressal personnel/teams. The grievance redressal process includes the following steps: • Registration of grievance (oral, written, or via 24x7 toll-free helpline) • Investigation and assessment • Resolution within defined timelines • Escalation, where required • Feedback collection and closure • Record-keeping, reporting and periodic review and audit

Particulars	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Employees	Yes	The Company has established a digital platform, HEERA, as the primary channel for managing employee grievances. Employees may raise grievances related to work environment, working relationships, workplace conditions, salary and compensation, claims settlement, reimbursement and recovery of dues, leave management, medical insurance and health insurance or any other matter impacting employment and working environment. Employees are encouraged to initially seek grievance resolution through discussions with their Immediate Supervisor. In the absence of an Immediate Supervisor, grievances may be escalated to the next level supervisor. If satisfactory resolution is not achieved, employees may register their grievance through the HEERA chatbot, creating a grievance ticket for formal resolution. Designated HR Officers are responsible for resolving the grievances. Depending on the severity and complexity of the grievance, resolution timelines and escalation procedures are defined to ensure timely and effective redressal.
Other than Permanent Employees	Yes	Grievances are submitted to respective HR coordinators/partners who are responsible for resolution.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Permanent Employees	53,636	0	0%	52,505	0	0%
Male	48,502	0	0%	47,747	0	0%
Female	5,134	0	0%	4,758	0	0%
Permanent Workers	2,026	2,026	100%	2,091	2,091	100%
Male	2,012	2,012	100%	2,084	2,084	100%
Female	14	14	100%	7	7	100%

8. **Details of training given to employees and workers:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation*		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	52,049	28,043	54%	53,802	100%	51,500	23,735	46%	56,650	100%
Female	5,328	2,402	45%	5,978	100%	4,965	2,481	50%	5,462	100%
Total	57,377	30,445	53%	59,780	100%	56,465	26,216	46%	62,112	100%
WORKERS										
Male	3,77,665	10,56,423	100%	3,59,997	100%	3,54,423	4,69,407	100%	1,11,066	31%
Female	2,400	1,321	55%	405	17%	2,083	1,244	60%	233	11%
Total	3,80,065	10,57,744	100%	3,60,402	95%	3,56,506	4,70,651	100%	1,11,299	31%

**As on March 31, 2026, the number of trainings conducted are higher than the number of employees and workers due to the attrition and new joiners.*

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
EMPLOYEES						
Male	48,502	48,502	100%	47,747	47,747	100%
Female	5,134	5,134	100%	4,758	4,758	100%
Total	53,636	53,636	100%	52,505	52,505	100%
WORKERS						
Male	2,012	2,012	100%	2,084	2,084	100%
Female	14	14	100%	7	7	100%
Total	2,026	2,026	100%	2,091	2,091	100%

10. **Health and safety Management systems:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company's Environment, Health & Safety (EHS) Policy and 'VISION K**NO**W HARM' extend beyond management system implementation and focus on ensuring the well-being of all personnel. All work locations of the Company, including EPC project sites, manufacturing facilities and offices, are covered under the Occupational Health and Safety (OHS) Management System of the business operating at those locations. The OHS system covers all employees and contractors, including non-permanent employees and contractual workers.

The OHS Management System, internally referred to as the EHS Management System, is implemented at the project and business levels and is established based on the ISO 45001:2018 standard. This provides a structured framework for the assessment and management of OHS/EHS risks and supports continuous improvement in safety performance. In addition to internal assurance processes, the effectiveness of the OHS/EHS Management System is validated through certification by third-party agencies and it is certified with applicable standards, including ISO 45001:2018.

For further details on safety management system, refer to 'Human Capital' section of the Integrated Annual Report FY 2025-26.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The EHS Management System has various processes to support the identification of hazards and the assessment of associated risks. Two types of risk assessments are carried out based on the sector and the nature of activities at specific work locations. Risk assessments include Hazard Identification and Risk Assessment (HIRA), Job Hazard Analysis (JHA), Hazard Identification (HAZID), Hazard and Operability Study (HAZOP), Failure Modes, Effects and Criticality Analysis (FMECA) and other Quantitative Risk Assessment (QRA) methods. The risk assessment process actively involves relevant stakeholders, including design engineers, construction engineers, planning functions, EHS team members and other personnel working at the location, including contractual workers, to ensure comprehensive risk assessment and the design and implementation of effective mitigation plans.

Operational risks are identified and managed through an internal process named the 'Daily Safety Cycle'. It includes tasks that need to be carried out before and during work on a daily basis to mitigate risks. Digital platforms and mobile applications have also been implemented for effective execution and tracking. In FY 2025–26, the Company initiated additional measures, such as Take-5, Hazard Hunt and Rule of Three, to further strengthen these processes.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

As part of the EHS Management System, the Company has implemented various measures to enable the participation and consultation of workers in hazard identification and risk management. In addition to their involvement in the hazard identification processes mentioned above, other key processes are as follows:

- **Take 5 process:** Workers are encouraged to follow five steps: *Stop, Look, Identify, Discuss and Control* before starting any work. 'KNOW HARM' boards support workers in identifying hazards and controlling risks.

- **Pre-Start Verification and toolbox talks:** These are conducted before the commencement of each workday to ensure that risks associated with activities are proactively assessed and that operating conditions are compliant with risk assessments and Safe Work methods. Workers are empowered to pause work and report to the concerned officials in case of immediate danger or potential risks.

Reporting of hazards is encouraged through spot recognition and periodic safety awards for the correct use of safety protocols. The Site EHS Committee at each location comprises key stakeholders, including worker representatives. The meetings serve as a platform for participation and consultation on all EHS-related matters. Feedback from workers is collated in a structured manner, discussed in safety committee meetings and corrective actions are undertaken, as required.

d. **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

In addition of ensuring a safe working environment, the Company is committed to ensuring the health and well-being of workforce, including contractual employees and workers, through comprehensive medical services and well-being programs. The Company has implemented various initiatives to address both occupational and non-occupational health needs:

- **First Aid and Emergency Services:** Available for any person working at the location
- **Medical Centres:** Occupational Health Centres or medical centres assist in managing non-occupational medical cases in addition to providing occupational health services.
- **Tie-ups with Local Hospitals:** Location-specific agreements with nearby hospitals and nursing homes ensure prioritised access to medical facilities.
- **Mental Health and Non-Occupational Health programmes:** Annual health-checkups, special health check-up drives (e.g., blood sugar, cardiac health, cancer), vaccination drives (e.g., flu, pneumococcal, cervical) aid in early detection of any issues. Campaigns such as Freedom from Diabetes and health advisories from medical teams help in raising awareness of various health topics.

11. **Details of safety related incidents, in the following format:**

The statistics below include employees and workers located in project sites and manufacturing facilities.

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.02	0.04
	Workers	0.09	0.12
Total recordable work-related injuries	Employees	2	5
	Workers	77	116
Number of fatalities	Employees	1	1
	Workers	29	33
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	2	8

The Company had undertaken several corrective actions in FY 2024–25 and has also recently revamped its EHS strategy. However, during FY 2025–26, there were still a significant number of fatal accidents. The Company sincerely regrets the loss suffered by the families of the persons affected and has treated this as a critical issue requiring immediate attention. A thorough investigation was conducted into all incidents. To address the shortfalls in processes and enhance the systems, The Company has undertaken further measures to strengthen the implementation of SOPs, as elaborated in Question 15 of the Essential Indicators under Principle 3.

For further details on safety management systems and implementation, refer to 'Human Capital' section of the Integrated Annual Report FY2025-26.

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company's commitment towards safeguarding people, resources and the environment is embedded in the Corporate EHS Policy and is actioned through systems and processes under the EHS Management System (EHSMS). The EHSMS, which is based on and certified against ISO 45001:2018, is implemented at each business level, covering all work locations of the Company. Audit and certification of the EHSMS by independent third-party agencies helps in the identification of areas for further improvement and in maintaining a high standard. Internal audits, conducted at multiple levels, further help strengthen the process.

As part of the EHS Management System, each work location develops a location-specific EHS plan to proactively manage and mitigate risks. While the implementation of these systems is the responsibility of all individuals at the location, key teams such as EHS, HR, Admin and Medical services are central to ensuring compliance with safety and health requirements.

The Company has digital systems and applications to reduce manual efforts in tracking observations, monitoring performance and data analytics. Technologies such as AR/VR are also leveraged to enhance training and safety awareness for employees and workers.

The Company has revamped its EHS strategy and is now focusing on "VISION KNOW HARM". It combines knowledge and action to ensure effective implementation of SOPs and procedures to help deliver safety performance targets. *For details on the new strategy and approach towards safety, refer to the 'Health, Safety and Well-being' subsection under the 'Human Capital' section of the Integrated Annual Report FY 2025–26.*

13. **Number of Complaints on the following made by employees and workers:**

	FY 2025-26			FY 2024-25		
	Filed during the year*	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	1,013	NIL		143	NIL	
Health & Safety	516	NIL		47	NIL	

**Higher complaints were reported due to strengthened systems and processes across EPC project sites, along with increased encouragement for workers to report grievances.*

14. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices Working Conditions	All the business units of the Company are certified by independent third parties on ISO 45001:2018 standards. These units undergo periodic external audits to ensure adherence to safety protocols and verify compliance with applicable standards and guidelines. In addition to EHS certifications, key manufacturing facilities are also certified under SA 8000 standards, a globally recognized certification program focusing on human rights and labour management. Furthermore, each year, internal self-assessment is conducted across manufacturing plants and projects to identify potential human rights risks including health and safety management systems and working conditions. This involves cross-functional teams including Admin, Industrial Relations (IR), Project, HR and EHS managers.

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The EHS Council of the Company is the apex committee responsible for monitoring the Company's health and safety performance, identifying areas for continuous improvement and formulating strategies and actions to drive improvements. A dedicated Corporate EHS team, led by a senior professional with extensive industry experience, has been established to identify gaps, define new strategies and drive implementation across businesses. In addition to the actions taken in FY 2024–25, namely the setting up of a Serious Incident Review Committee, institution of a Reward and Penalty system, identification system for new workers and a revamped onboarding process for contractual workers, the Company has taken further steps for improvement.

1. **VISION KNOW HARM:** Revamped EHS strategy focused on driving knowledge of hazards and risks and actions to prevent any incident. To support this, a BACK-TO-BASICS campaign is being driven across all work locations, reinforcing fundamental safety principles that form the foundation of a strong EHS culture.
2. **Occurrence Reporting & Investigation Standard:** An organization-wide EHS reporting and investigation standard has been introduced based on Occurrence Root Cause Analysis (ORCA) technique. The standard redefines event and reporting categorization, level of investigation and event notification structure. Training sessions are being conducted for employees to build awareness of the new investigation technique.
3. **Accident Investigation Committee (AIC):** A committee consisting of the business head in which the serious incident has occurred, along with one independent Root Cause Analysis (RCA) facilitator, has been formed for investigation of serious incidents resulting in fatality or permanent total disablement. The AIC conducts the investigation and presents its findings to the Serious Incident Review Committee (SIRC). Based on the findings of the AIC, the SIRC recommends appropriate disciplinary or corrective actions.
4. **EHS Leaders Workshop:** A three-day workshop for EHS heads of all the businesses of the Company was organized to formulate actions implementing the new strategy and transformation of EHS culture across the organization.

LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of**

   a. **Employees (Y/N):** Yes

   b. **Workers (Y/N):** Yes

   The Company is committed to safeguarding the financial well-being of its employees and workers through comprehensive insurance coverage.

   - **Life Insurance:** All employees are covered under a term life insurance policy arranged by the Company, offering financial protection to their dependents in the event of an untimely demise.
   - **Health Insurance (Mediclaim):** To cover medical expenses, employees and eligible workers are enrolled under a Mediclaim policy providing health insurance benefits.
   - **Non-Permanent Worker:** In the unfortunate event of a fatality involving contractual worker, the Company ensures compensatory payments are made in line with applicable laws and regulations. Additional support measures are also be extended on a case-by-case basis, reflecting the Company's commitment to worker welfare.

   The Company regularly reviews and updates its insurance coverage and compensatory practices to align with evolving business needs and regulatory frameworks.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The Company ensures that statutory dues from the value chain partners i.e., subcontractors and supply chain partners, are deposited on time. Proof of payment or record of statutory dues paid by the subcontractors e.g., records for Provident Fund (PF) deposit for contractual workers is maintained. GST payment by the suppliers is matched through GST portal to ensure compliance, amongst other controls.

3. **Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	1	1	0	0
Workers	31	41	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes, the Company provides transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement on merit.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done) that were assessed
Health and safety practices Working Conditions	In line with the Company's commitment to promoting sustainability across the value chain, the Company had identified and assessed 289 critical supply chain partners, contributing to ~22% by value of business of the Company. These supply chain partners were assessed under five modules: Governance, Ethical business practices, Human rights and labour management, Health and safety and Environment. The assessment was conducted by an independent third party using a detailed questionnaire aligned with regulatory requirements, BRSR disclosures and global sustainability standards. It was carried out remotely through document review and supplier interactions, as well as through onsite visits for selected low-scoring supply chain partners. Post-assessment, gaps were shared with suppliers along with recommendations and action plans to improve sustainability performance and compliance. *For details of the Company's initiatives on incorporating sustainability in supply chain, refer to 'Social and Relationship Capital' and 'Human Capital' for disclosures related to human rights in supply chain of the Integrated Annual Report FY 2025-26.*

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   No significant risks or concerns were identified from the ESG assessments conducted during the year. The Company ensures that all supply chain partners understand and formally acknowledge the Company's Code of Conduct, which is a mandatory requirement during the vendor registration and onboarding process. To further strengthen ESG awareness and compliance, training sessions were conducted for supply chain partners during the year, covering key Company policies including the Sustainable Supply Chain Policy, Sustainability Policy, Whistleblower Policy and Code of Conduct. In instances where concerns, observations, or potential risks are identified — whether during formal assessments or through other interactions — the Company promptly initiates appropriate corrective and preventive actions to address them.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   L&T identifies its key stakeholder groups through a structured process aimed at balancing business objectives with stakeholder needs, expectations and ESG considerations to support long-term value creation. Identification is based on factors such as the stakeholder's influence on the business, their level of dependence on or impact from L&T's operations and their relevance in the context of evolving ESG and regulatory requirements. The process includes:

   - **Defining scope and purpose:** Establishing whether stakeholder identification is for ESG reporting, materiality assessment, strategy development, or project-level engagement and defining the applicable boundary (enterprise, regional, or project level).
   - **Value chain mapping:** Identifying all entities directly or indirectly connected across operations, including suppliers, contractors, customers and other partners.
   - **Stakeholder categorisation:** Grouping stakeholders into internal (employees, senior management, Board) and external (customers, investors, regulators, suppliers, communities, NGOs, media, academia) categories.
   - **Assessment of influence and impact:** Evaluating stakeholders based on dependency, responsibility, sphere of influence and diversity of perspectives to ensure comprehensive coverage of relevant groups.

- **ESG and regulatory alignment:** Ensuring consistency with applicable sustainability frameworks and emerging regulatory expectations.
- **Stakeholder feedback integration:** Validating and refining stakeholder groups through engagement mechanisms such as surveys, workshops, interviews and grievance channels.
- **Ongoing review:** Periodically updating stakeholder mapping to reflect changes in business operations, market dynamics and external environment.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

   The key stakeholders of the Company are Government, customers including private sector and public sector entities, employees and workers, supply chain partners, shareholders and investors, communities and NGO partners, regulatory bodies and media. *Details on stakeholders, frequency of engagement and focus areas of engagement are covered in the 'Driving Stakeholder Engagement' section of the Integrated Annual Report FY 2025-26.*

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   L&T has established a comprehensive and structured governance framework to enable effective consultation with stakeholders and Board oversight on economic, environmental and social matters. Sustainability strategy, performance and stakeholder considerations are overseen at the Board level through dedicated committees, including the CSR & Sustainability Committee, Risk Management Committee and Stakeholders' Relationship Committee, each chaired by an Independent Director.

   At the management level, specialized committees such as the EHS Council, Material Council and Quality Council focus on specific sustainability dimensions within their defined mandates. These Committees operate under approved terms of reference and meet periodically to review performance, assess risks and opportunities and monitor progress against targets in their respective areas.

   Inputs from stakeholder interactions, performance reviews and issue assessments deliberated at the management and Board committee levels including insights on material economic, environmental and social topics are systematically consolidated and escalated to the Board through structured reporting mechanisms. These matters are reviewed during regular Board and committee meetings, including quarterly updates, to enable informed decision making and strategic oversight.

   In addition, the Company periodically undertakes structured stakeholder engagement processes on ESG related topics, involving key stakeholder groups such as employees, customers, suppliers, communities, investors and regulators. These engagements follow a defined methodology with prescribed frequency, roles and reporting protocols. Feedback, concerns and expectations emerging from these consultations are formally documented, reviewed by management and presented to the relevant Board committees or the Board, as appropriate. This integrated consultation and escalation framework ensures that stakeholder perspectives are systematically incorporated into governance processes, supports transparency and accountability and strengthens alignment between stakeholder expectations, sustainability priorities and the Company's strategic direction.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Stakeholder consultation is an integral part of identifying and managing environmental and social topics. The Company engages with employees, investors, communities, regulators, NGOs, suppliers and customers through surveys, meetings,

focused group discussions, public consultations and forums. A few examples of incorporating stakeholders' inputs in the policies and processes are follows:

1. **Environmental topics:**
    - **Climate risk assessment:**
        - Stakeholders are increasingly demanding greater focus on and disclosure of climate-related risks. In FY 2025–26, a detailed climate risk assessment was conducted with third-party support for AMNHEC-Hazira and Kattupalli, the Company's two largest manufacturing complex supporting key businesses including Heavy Engineering, L&T Energy Hydrocarbon-Offshore, Precision Engineering and Systems and L&T Energy Carbon Lite Solutions.
        - Adaptation and mitigation actions have been identified and will be taken up for implementation.
    - **Waste management and circularity:**
        - Increased focus on waste, including plastic waste, in response to regulatory and stakeholder expectations.
        - L&T Rubber Processing Machinery became the first facility within the Company to achieve zero waste to landfill (ZWL) certification; a few other facilities have also initiated the process for reaching ZWL status.
        - AMNHEC and Knowledge City Vadodara have been certified as single-use plastic-free campuses by Confederation of Indian Industry.
    - **Energy management:**
        - Various external stakeholders such as customers and rating agencies sought details on energy management systems (EnMS) implementation by the Company. ISO 50001 certification received for multiple businesses including for EPC projects businesses; wider EnMS implementation is ongoing across EPC projects sites and manufacturing facilities.
        - Structured, technology-led approach implemented, including a diesel reduction task force and Corporate Energy Management Cell.
2. **Social Topics:**

    Safety concerns resulted in stronger focus on preventive OHS measures, training, and leading indicators. Feedback on well-being and gender issues has been incorporated through enhanced employee well-being initiatives and strengthened DEI efforts.
    - **POSH policy:**
        - Now expanded to be gender-neutral; which was earlier limited only to female
        - Applicable to L&T globally; which was earlier limited to establishments in India
        - Online portal, hosted by a third-party, launched to enable proper tracking, escalation and resolution of complaints
    - **Occupational safety: Refreshed approach introduced in FY 2025–26 anchored in two objectives**
        - 'K**NO**W HARM' focus on hazard identification and risk management.
        - 'No Harm' focus on prevention of harm to people, assets and environment.
    - **Increased focus on Mental health and well-being**
        - 100 employees trained as Mental Health First Aiders to identify and support mental health concerns.

3. **Provide details of instances of engagement with and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Vulnerable Group	Concerns	Action Taken	Impact
Farmer community in water stressed and drought prone locations	Drought, Poverty, Migration	• Organised farmers community to form Village Development Committees (VDC) and Farmers Producer Organisation (FPO) • Water made available with wastewater and conservation intervention • Capacity building in sustainable agricultural practices • Maintenance of water structures by the VDC along with Panchayat	• Rise in ground water table and water made available to population of 1,06,008 from 11 ICDP locations and 8,411 hectares land protected from direct run-off in three ICDP locations • Increase in household agricultural income • Reverse migration
Rural population without access to proper sanitation facilities	Open defecation leading to health issues and social disgrace	• Community awareness regarding making villages open defecation free (ODF) • Construction of toilets after ensuring water availability • Village level monitoring committee formed to ensure ODF status of the village	• 5,366 toilets constructed and 41 villages are made ODF • Women felt safe to use household toilet and saved from embarrassment and social disgrace
Disadvantaged rural women	Gender related issues viz. no decision-making power in household and community related issues	• Women were part of need assessment and their critical concerns were prioritised • Village level women groups formed and organised in Self Help Groups (SHGs) • Ensured equal representation of women in VDCs and Community level decision making	• 305 SHGs formed in three ICDP locations with ₹ 191.6 lakh savings • Women are assuming community leadership positions e.g. President of VDC, FPO formed with all women board members
Underprivileged community from urban and peri-urban areas	Unaffordable and inaccessible health services Patients cannot afford the dialysis treatment in private hospitals	• Affordable general health services along with consultations in specialised clinics provided through nine health centres across India and mobile health vans • Provision of dialysis services at a concessional rate	• 10,09,069 services dispensed to underprivileged population • Dialysis patients taking regular treatment at the L&T health centre
	Unskilled-Unemployed youth • Unemployed youth trained in L&T's Construction Skills Training Institutes and facilitation for job placements	• Unemployed youth trained in L&T's Construction Skills Training Institutes and facilitation for job placements	• Around 10,000 youth trained every year of which 60-70% get job placements
Students in tribal/ rural schools or urban resource poor schools	Students have difficulties in learning science and maths subjects and no access to digital and hands on education	• Providing Science, Technology, Engineering and Math (STEM) Kits for hands on learning in science and math and digital infrastructure, digital content mapped to the curriculum and training to teachers to conduct classes using digital media	• 5,292 students took part in science exhibitions • Students making their own STEM models and presenting solutions to everyday problem by using technology
School students without access to clean toilets	School Toilets dilapidated or not functional	• Constructed toilet blocks in the schools for students	• Increase in attendance of girls

Principle 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	53,636	22,662	42%	52,505	57,756	100%
Other than permanent	3,741	5,746	100%	3,960	4,344	100%
Total Employees	**57,377**	**28,408**	**50%**	**56,465**	**62,100**	**100%**
Workers						
Permanent	2,026	2,026	100%	2,091	2,091	100%
Other than permanent	3,78,039	3,59,268	95%	3,54,415	3,54,415	100%
Total Workers	**3,80,065**	**3,61,294**	**95%**	**3,56,506**	**3,56,506**	**100%**

All new joiners undergo compliance training covering the Code of Conduct and human rights to ensure continued training coverage. The Company has a dedicated human rights training module on its learning management system for employees, supplemented by awareness sessions for workers. During the previous year, 100% of employees completed the mandated training, while the balance coverage gap was addressed during the current year. Induction and toolbox talks for site workers cover wages, PF deductions, health and safety, banking, and KYC processes. Compliance systems, including age verification and employment documentation, are in place to prevent child and forced labour. Daily toolbox talks further reinforce these aspects along with job-specific guidance.

Key Company locations at Hazira and Kattupalli are certified under SA 8000 by independent third parties, covering child labour, forced labour, discrimination, working hours, remuneration, freedom of association and grievance mechanisms. *Refer to the Human Capital section of the Integrated Annual Report FY 2025–26 for details.*

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	**53,636**	**–**	**–**	**53,636**	**100%**	**52,505**	**–**	**–**	**52,505**	**100%**
Male	48,502	–	–	48,502	100%	47,747	–	–	47,747	100%
Female	5,134	–	–	5,134	100%	4,758	–	–	4,758	100%
Other than permanent	**3,741**	**–**	**–**	**3,741**	**100%**	**3,960**	**–**	**–**	**3,960**	**100%**
Male	3,547	–	–	3,547	100%	3,753	–	–	3,753	100%
Female	194	–	–	194	100%	207	–	–	207	100%
Workers										
Permanent	**2,026**	**–**	**–**	**2,026**	**100%**	**2,091**	**–**	**–**	**2,091**	**100%**
Male	2,012	–	–	2,012	100%	2,084	–	–	2,084	100%
Female	14	–	–	14	100%	7	–	–	7	100%
Other than permanent	**3,78,039**	**3,38,512**	**90%**	**39,527**	**10%**	**3,54,415**	**2,87,585**	**81%**	**66,830**	**19%**
Male	3,75,653	3,36,506	90%	39,147	10%	3,52,339	2,85,897	81%	66,442	19%
Female	2,386	2,006	84%	380	16%	2,076	1,688	81%	388	19%

3. **Details of remuneration/salary/wages, in the following format:**

   a. **Median remuneration / wages:**

Particulars	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) - Whole Time Directors	6	29,89,11,975	0	0
Key Managerial Personnel	1	1,20,68,541	0	0
Employees other than BoD and KMP	52,042	12,48,234	5,328	8,01,115
Workers	2,012	11,63,034	14	19,42,567

   b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages *[employees including permanent, other than permanent]*	6.1%	5.7%
Gross wages paid to females as % of total wages *['other than permanent'/contract workers, reported on calendar year basis]*	0.3%	0.2%

For contract workers:

- The Company engages workers through service and manpower contracts, with service contracts accounting for over 70% of engagements. For manpower contracts, the Company has direct oversight of deployed workers. However, for service contracts, wages are not directly monitored as they are paid by the contractor, but statutory compliance is ensured. In some cases, subcontractors obtain labour licenses and file returns under the Contract Labour (Regulation and Abolition) Act (CLRA) independently. Consequently, such data may not fully reflect in CLRA reporting.
- FY 2025–26 data is based on CLRA filings for calendar year 2025 (January to December), covering both contract categories. Data collation and reporting is largely manual and there are gaps in the supporting evidence submitted by contractors to substantiate the figures reported in the Company's CLRA filings. Furthermore, since data on wages is primarily available on a calendar-year basis, it does not align with the financial year reporting period, posing challenges in reconciliation. The Company is strengthening wage reporting systems to improve accuracy and alignment.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   The Chief Human Resources Officer is the focal point for human rights related issues at the Company level. For implementation across the sites and manufacturing plants, designated personnel from IR/Admin/EHS functions are responsible for human rights and labour management. At business level, IR/Admin Heads of respective businesses are the focal point supported by HR heads.

   For details on the governance and management processes related to Human Rights, refer to 'Human Capital' chapter of the Integrated Annual Report FY 2025-26.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   Respect for and commitment to human rights are fundamental components of the Company's Code of Conduct for employees. Any violations for clauses under Code of conduct are reported to the first-level reporting authority, who investigates and takes appropriate action. If the violation involves the first-level authority, it is escalated to the second level. Severe cases are referred to the Whistleblower Investigation Committee for action within a reasonable timeframe.

   The Company is committed to a safe and inclusive workplace free from sexual harassment. A Policy for the Protection of Women's Rights at the Workplace has been established in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). This applies to all employees and workers of the Company and to visitors including customers, contractors, vendors, supply chain partners and business representatives globally regardless of gender. Where sexual harassment involves third parties, the Company takes reasonable steps to support affected individuals. Internal Complaints Committees (ICCs) have been set up across administrative units to register complaints, conduct investigations, conclude proceedings and recommend action. ICC recommendations are

implemented by the Company. The ICCs also conduct regular awareness sessions and workshops. Two Apex Committees at the senior level, with representatives from ICCs and leadership, oversee POSH implementation and compliance across the Company.

The Company also has a Whistleblower mechanism that encourages employees and vendors to report unethical behaviour, misconduct, legal or regulatory violations or unfair practices without fear of retaliation. All complaints are investigated and appropriate corrective actions are taken.

For details on the governance and management processes related to Human Rights, refer to 'Human Capital' chapter of the Integrated Annual Report FY2024-25.

6. **Number of Complaints on the following made by employees and workers:**

Particulars	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	9	1	Complaints registered and redressed under the POSH Act	12	1	Complaints registered and redressed under the POSH Act
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	9*	12
Complaints on POSH as a % of female employees / workers	0.12%	0.17%
Complaints on POSH upheld	6	10

**As on 31st March 2026, One case is under investigation, while the other two cases were found not to fall under POSH.*

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The mechanism remains as detailed in the answer to Question 5. The Company has a Code of Conduct applicable to all employees, senior management and Board members, outlining expected standards of ethical behaviour and professional conduct. All violations are to be reported as per the reporting matrix defined in the policy framework. The Code also sets out the grievance redressal process and specifies preventive and corrective actions to ensure compliance with ethical business practices.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No).**

Yes, human rights requirements are integrated into business contracts. The Company's Supplier Code of Conduct covers human rights, labour standards and societal well-being, aligned with UN Global Compact Principles and ILO Core Conventions. All supply chain partners are required to acknowledge and comply with this Code and signing it is mandatory during vendor onboarding. The Code includes requirements on fair and safe working conditions, occupational health and safety, prohibition of child and forced labour, non-discrimination, zero tolerance for harassment and ethical business practices. Contracts also include compliance with applicable laws such as wage payments, Provident Fund (PF) deductions and other statutory labour obligations.

10. **Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour Forced/involuntary labour Sexual harassment Discrimination at workplace Wages Others - please specify	Key manufacturing plants are certified under SA 8000, a globally recognised standard covering human rights and labour management. In addition, an annual internal due diligence through a structured self-assessment questionnaire is conducted across manufacturing plants, offices and project sites to identify potential human rights risks, including health and safety systems and working conditions. This process involves cross-functional teams from Administration, Industrial Relations (IR), Projects, HR and EHS.

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

No significant risks/concerns arose that required any corrective actions with respect to human rights related issues.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

The Company's Code of Conduct for its employees as well as supply chain partners and Sustainable Supply chain policy covers its commitment to human rights. No complaints have been received through the channels mentioned above; the details have already been discussed in Section A 'VII. Transparency and disclosures compliances.'

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

The Company's human rights due diligence framework covers the contractual worker and encompasses its own operational footprint, including EPC project sites, manufacturing facilities and offices. This evaluates compliance with human rights principles, focusing on the prevention of child labour, elimination of forced or involuntary labour, payment of fair and timely wages, prevention of sexual harassment, eradication of modern slavery practices, promotion of non-discrimination, assurance of safe and healthy working conditions and provision of accessible grievance redressal mechanisms.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company promotes an inclusive and accessible workplace in line with the Rights of Persons with Disabilities Act, 2016. Most of the premises include ramps, dedicated parking spaces and elevators with accessibility features to support differently abled people.

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Child labour Forced/involuntary labour Sexual harassment Discrimination at workplace Wages Others - please specify	In line with the Company's commitment to promoting sustainability across the value chain, the Company had identified and assessed 289 critical supply chain partners, contributing to ~22% by value of business of the Company. These supply chain partners were assessed under five modules: Governance, Ethical business practices, Human rights and labour management, Health and safety and Environment. The assessment was conducted by an independent third party using a detailed questionnaire aligned with regulatory requirements, BRSR disclosures and global sustainability standards. It was carried out remotely through document review and supplier interactions, as well as through onsite visits for selected low-scoring supply chain partners. Post-assessment, gaps were shared with supply chain partners along with recommendations and action plans to improve sustainability performance and compliance. *For details of the Company's initiatives on incorporating sustainability in supply chain, refer to 'Social and Relationship Capital' and 'Human Capital' for disclosures related to human rights in supply chain of the Integrated Annual Report FY 2025-26.*

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No significant human rights risks or concerns were identified during the reporting year. All supply chain partners are required to be aware of and formally agree to the Company's Code of Conduct as part of vendor registration and onboarding. If any risks or concerns are identified during the year, through assessments or otherwise, the Company takes appropriate corrective and preventive actions to address and mitigate them.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
From renewable sources (in Gigajoules)		
Total electricity consumption (A)	3,52,937	2,48,561
Total fuel consumption (B)	82,993	64,882
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**4,35,930**	**3,13,443**
From non-renewable sources (in Gigajoules)		
Total electricity consumption (D)	14,78,304	14,10,297
Total fuel consumption (E)	83,09,739	82,06,677
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**97,88,043**	**96,16,974**
Total energy consumed (A+B+C+D+E+F) (in Gigajoules)	**1,02,23,973**	**99,30,417**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) (in GJ/₹ Cr)	**66.5**	**69.7**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (in GJ/PPP Mn USD)	**135.3**	**144.0**

Note:

- For FY 2025-26, latest IMF PPP conversion rate (20.343) is used, accessed at https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/IND on April 22, 2026.
- Energy intensity decreased by 4.5% compared to FY 2024-25. Reduction was driven by initiatives related to reducing diesel consumption across various project sites and closure or closing stage of some large contracts, e.g. contracts related to high-speed rail, dedicated freight corridor project, buildings, water supply networks.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, reasonable level of data assurance has been carried out by BDO India Services Private Limited. The assurance statement is provided at the end of BRSR section in Integrated Annual Report FY 2025-26.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)**

No, the Company does not have any site or facility identified as designated consumers (DCs) under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	25,38,214	25,73,331
(ii) Groundwater	68,71,465	88,15,932
(iii) Third party water	3,92,795	5,85,735
(iv) Seawater / desalinated water	189	2,920
(v) Others	76,58,659	78,40,556
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1,74,61,322**	**1,98,18,474**
Total volume of water consumption (in kilolitres)	**1,27,30,509**	**1,54,31,695**
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations) (in kilolitres/₹ Cr)	**82.8**	**108.3**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (in kilolitres/PPP Mn USD)	**168.5**	**223.7**

Note:

- For FY 2025-26, latest IMF PPP conversion rate (20.343) is used, accessed at https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/IND on April 22, 2026.
- 'Others' include water sourced through municipal supply, tankers (construction and/or drinking water), rainwater, treated wastewater from other industries/sources.
- Water consumption intensity reduced by 24% compared to FY 2024-25. This decrease was due to closure or closing stage of some large contracts, e.g. contract related to dedicated freight corridor project, a few building projects.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, reasonable level of data assurance has been carried out by BDO India Services Private Limited. The assurance statement is provided at the end of BRSR section in Integrated Annual Report FY 2025-26.

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
– No treatment	0	0
– With treatment – please specify level of treatment	3,35,434 (Primary: 89,072) (Secondary: 1,98,946) (Tertiary: 47,416)	8,51,608 (Primary: 4,61,235) (Secondary:2,88,964) (Tertiary: 1,01,409)
(ii) To Groundwater		
– No treatment	0	0
– With treatment – please specify level of treatment	8,395 (Primary: 8,395)	8,64,124 (Primary: 8,55,896) (Secondary: 8,228)
(iii) To Seawater		
– No treatment	0	0
– With treatment – please specify level of treatment	64,365 (Secondary: 64,365)	32,417 (Primary: 72) (Secondary: 32,345)

Parameter	FY 2025-26	FY 2024-25
(iv) Sent to third parties@		
– No treatment	4,43,463	4,11,440
– With treatment – please specify level of treatment	6,35,667	2,53,894
	(Primary: 3,58,974)	(Primary: 2,52,658)
	(Secondary: 2,32,389)	(Secondary: 1,236)
	(Tertiary: 44,304)	
(v) Others@		
– No treatment	20,19,974	17,74,173
– With treatment – please specify level of treatment	10,81,064	46,417
	(Primary: 9,46,392)	(Primary: 30,277)
	(Secondary: 87,339)	(Secondary: 14,665)
	(Tertiary: 47,333)	(Tertiary: 1,475)
Total water discharged (in kilolitres) (i + ii + iii + iv + v)	**45,88,359**	**42,34,073**

@Sent to third parties and others-without treatment is wastewater discharged through municipal sewer connections or disposed through approved vendors for wastewater treatment.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, reasonable level of data assurance has been carried out by BDO India Services Private Limited. The assurance statement is provided at the end of BRSR section in Integrated Annual Report FY 2025-26.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Major facilities at Hazira, Kattupalli, Talegaon, Coimbatore, Ranoli, Kancheepuram and Kansbahal have implemented Zero Liquid Discharge (ZLD) systems. These ensure that 100% of wastewater generated from operations is treated and either recycled or reused. Treated water is used for non-potable purposes such as gardening, toilet flushing, firefighting, road washing and dust suppression, reducing freshwater consumption and environmental impact.

6. **Please provide details of air emissions (other than GHG emissions) by the entity:**

Data below disclosed for the following manufacturing facilities:

Parameter	UOM	FY 2025-26			FY 2024-25		
		Hazira	Pithampur	Kancheepuram	Hazira	Pithampur	Kancheepuram
SOx	Tons	0.01	6.92	1.64	0.01	13.22	3.00
NOx	Tons	1.51	7.14	9.43	1.46	8.50	14.71
Particulate Matter (PM)	Tons	1.00	7.13	7.50	1.31	11.81	11.71
Persistent organic pollutants	–	–	–	–	–	–	–
Volatile organic compounds	–	–	–	–	–	–	–
Hazardous air pollutants	–	–	–	–	–	–	–
Others	–	–	–	–	–	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, emissions from chimney stacks at respective manufacturing facilities of the Company are verified by government approved laboratories and reports are submitted to State Pollution Control Boards. Results are reviewed and analysed by the business units at the respective locations to ensure compliance to the CTO.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	UOM	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	6,17,113	6,03,953

Parameter	UOM	FY 2025-26	FY 2024-25
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	2,89,920	2,82,341
Total Scope 1 and Scope 2 emissions per Rupee of turnover	**tCO_2e/₹ Cr**	**5.9**	**6.2**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	**tCO_2e/PPP Mn USD**	**12.0**	**12.8**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, reasonable level of data assurance has been carried out by BDO India Services Private Limited. The assurance statement is provided at the end of BRSR section in Integrated Annual Report FY 2025-26.

8. **Does the entity have any project related to reducing Green House Gas emission?**

Details of a few initiatives taken for GHG emissions reduction has been disclosed under Leadership Indicator Question 4 of Principle-6.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic Waste (A)	940	818
E-waste (B)	287	61
Bio-medical waste (C)	9	1
Construction and demolition waste (D)	4,02,448	2,62,736
Battery waste (E)	80	204
Radioactive waste (F)	6	1
Other Hazardous waste. Please specify, if any. (G)	4,394	4,303
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,88,030	1,83,102
Total (A+B + C + D + E + F + G + H)	**5,96,194**	**4,51,226**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	**3.9**	**3.2**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	**7.9**	**6.5**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	39,218	19,475
(ii) Re-used	2,71,035	60,965
(iii) Other recovery operations	0	0
Total	**3,10,253**	**80,440**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	63	83
(ii) Landfilling	82,377	1,17,645
(iii) Other disposal operations	1,88,639	2,55,233
Total	**2,71,079**	**3,72,962**

Note:

- For FY 2025-26, latest IMF PPP conversion rate (20.343) is used, accessed at https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/ADVEC/WEOWORLD/IND on April 22, 2026.
- Intensity of waste generated has increased by 21% compared to FY 2024-25 due to dismantling of pre-cast yards and site setups in a few major contracts related to high-speed rail project. Waste reported under "Other Disposal Operations" has reduced primarily due to improvement in tracking of end-use of waste recycled through third-parties and significant reuse of C&D waste generated from dismantling of pre-cast yards in a few EPC project sites.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

Yes, reasonable level of data assurance has been carried out by BDO India Services Private Limited. The assurance statement is provided at the end of BRSR section in Integrated Annual Report FY 2025-26.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Waste management is part of the Company's Environment and EHS Management Systems across all locations. Each EPC site, manufacturing facility and campus follows a location-specific waste management plan based on waste type, quantity and disposal requirements. The focus is on the 3Rs - Reduce, Reuse, Recycle, to minimise waste generation and disposal.

Hazardous waste, where generated, is handled in line with Central or State Pollution Control Boards (CPCB/SPCB) consents and applicable regulations, including the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2025 and is disposed only through authorised agencies. Training and awareness are provided to employees and workers.

The Company's product portfolio, comprising complex, engineered-to-order equipment for process industries and other sectors, does not involve hazardous or toxic chemicals, further reducing risk. Refer to the Natural Capital section of the Integrated Annual Report FY 2025–26 for details.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:**

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	A. M. Naik Heavy Engineering Complex, Hazira, Gujarat – the Company's largest manufacturing complex spread over 750 acres with a 1.6 km waterfront facility. The complex is located along the banks of Tapi River, 8 kms from the Arabian Sea. Only two jetty areas fall under Coastal Regulation Zone (CRZ) and not the entire facility.	Manufacturing facility	Yes
2	Manufacturing facilities in Kattupalli - Modular Fabrication Facility and Shipbuilding Facility: The facilities are located in Kattupalli (~50 kms from Chennai, Tamil Nadu) along the Coromandel Coast adjoining the Bay of Bengal. Only a part of the facility falls under CRZ and not the entire facility.	Manufacturing facility	Yes
3	Kachchi Dargah-Bidupur Bridge, Bihar – EPC project contract for construction of a 6-lane road bridge which spans the Ganges, connecting Kachchi Dargah in Patna and Bidupur in Hajipur.	EPC project site	Yes

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
4	Mumbai-Ahmedabad High-Speed Rail C-3 Package (between Shilphata and Zaroli village near Maharashtra-Gujarat border) – EPC project contract for construction of high-speed rail corridor, comprising of some viaducts and tunnels falling in forest area and CRZ.	EPC project site	Yes
5	Orange Gate to Coastal Road, Maharashtra – EPC project contract for construction of underground tunnel road from the Eastern freeway to Netaji Subhash Chandra Road near Marine drive in Mumbai. Some portion of the road falls under CRZ.	EPC project site	Yes
6	Dahisar Bhayander Bridge project, Maharashtra – EPC project contracts (2 packages) related to construction of 26.3 km, eight-lane elevated northern extension of Mumbai's coastal road network, connecting Versova to Bhayandar. Several portions of the road fall under CRZ boundaries.	EPC project site	Yes
7	Amaala Utilities, Saudi Arabia – EPC contract for construction of renewable energy system comprising of 250MWp solar PV plant and 700MWp battery energy storage system. Located within Prince Mohammed bin Salman Royal Reserve.	EPC project site	Yes
8	Mohammed bin Rashid Al Maktoum Solar Park Phase IV – EPC contract for construction of 1800 MWp solar PV plant. Located inside Al Marmoom Desert Conservation Reserve in UAE.	EPC project site	Yes
9	Sazagan 1 and 2, Uzbekistan – EPC contract for construction of renewable energy system comprising 1GW solar PV plant, 668 MW battery energy storage system and transmission lines. Located near Mubarek State Wildlife Sanctuary.	EPC project site	Yes

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)	If no, the reasons there of and corrective action taken, if any.
For EPC project site, the responsibility for conducting Environmental Impact Assessments (EIA) lies with the customer. The Company executes projects in line with the environmental clearances obtained by the customer, as per contractual scope. While EIA is not within the Company's scope, it is compliant with environmental norms and committed to undertaking good practices during execution. All site activities align with applicable regulations and the Company's Environment Management System, ensuring mitigation of environmental risks and adherence to sustainability standards.				

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).**

Yes, the Company is compliant with the applicable Act(s) and Rule(s).

LEADERSHIP INDICATORS

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

(i) **Name of the area(s):** Water-stressed blocks or areas in Gujarat, Rajasthan, Uttar Pradesh, Haryana, Madhya Pradesh, National Capital Territory of Delhi in India, and in Kingdom of Saudi Arabia and United Arab Emirates.

(ii) **Nature of operations:** Execution of EPC projects' contracts awarded by customers, related to highways, oil & gas facilities, solar power plants, metro rail, pumped storage and buildings

(iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
Surface water	33,240	32,163
Groundwater	20,61,669	30,11,141
Third party water	60,820	95,719
Seawater / desalinated water	189	0
Others	25,99,536	14,69,436
Total volume of water withdrawal (in kilolitres)	**47,55,454**	**46,08,459**
Total volume of water consumption (in kilolitres)	**31,02,551**	**32,23,890**
Water intensity per rupee of turnover (Water consumed / turnover)	**20.2**	**22.6**
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
– No treatment	0	0
– With treatment – please specify level of treatment	61,905	1,47,992
	(Primary: 7,507)	(Primary: 32,842)
	(Secondary: 6,981)	(Secondary: 13,741)
	(Tertiary: 47,416)	(Tertiary: 1,01,409)
(ii) To Groundwater		
– No treatment	0	0
– With treatment – please specify level of treatment	2,863	3,05,136
	(Primary: 2,863)	(Primary: 3,05,136)
(iii) To Seawater		
– No treatment	0	0
– With treatment – please specify level of treatment	0	0
(iv) Sent to third parties[@]		
– No treatment	2,17,762	1,11,636
– With treatment – please specify level of treatment	1,82,612	55,186
	(Primary: 1,39,357)	(Primary: 55,186)
	(Tertiary: 43,255)	
(v) Others[@]		
– No treatment	8,30,733	6,24,161
– With treatment – please specify level of treatment	2,31,798	4,039
	(Primary: 1,93,639)	(Secondary: 4,039)
	(Secondary: 17,713)	
	(Tertiary: 20,446)	
Total water discharged (in kilolitres) (i + ii + iii + iv + v)	**15,27,673**	**12,48,149**

[@] Sent to third parties and Others: wastewater discharged through municipal sewer connections or disposed through approved vendors for wastewater treatment.

Volume of water for water stress areas has increased compared to previous year due to increase in activities at the EPC project sites located in water stress area and enhancement in data capturing of water data for water stress areas. The Company implements watershed development projects in water stressed areas, as a part of CSR interventions, to augment the water availability.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency for the water data related to water stressed areas.

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	UOM	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO_2e	65,48,226	74,58,242
Total Scope 3 emissions per rupee of turnover	**tCO_2e/₹ Cr**	**42.6**	**52.3**

For details on Scope 3 methodology for calculations, refer to 'Natural Capital' section and 'Notes on Sustainability Information' subsection of Integrated Annual Report FY 2025-26.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N).

No independent assessment/ evaluation/assurance has been carried out by an external agency for the Scope 3 emissions.

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Sl. No.	Location of operations/offices	Actions taken
1	A. M. Naik Heavy Engineering Complex, Hazira (Only two jetty areas fall under CRZ and not the entire facility)	No painting or sandblasting is carried out in designated areas and no solid or liquid waste is disposed of in coastal zones. A Zero Liquid Discharge (ZLD) system is in place and green cover with native species has been developed. All applicable CRZ regulations are being complied with.
2	Manufacturing facilities in Kattupalli; Only a portion of the facility falls within the CRZ area; the entire facility is not covered under CRZ.	No ship-breaking activities are undertaken and oil spill mitigation measures are in place. A Zero Liquid Discharge (ZLD) system has been implemented and phosphating and galvanizing activities are conducted beyond CRZ boundaries. All applicable CRZ regulations are being complied with.
3	Kachchi Dargah-Bidupur Bridge, Bihar (EPC project contract)	An Environment Management Plan, monitored by a third-party agency, is in place. Silt barriers have been installed to prevent soil erosion near the banks of the Ganges. Wastewater from construction and domestic use is treated through STPs, with no discharge into the river. Muck is disposed of as per norms after testing for hazardous content. Construction is minimized during nighttime and key wildlife or breeding seasons. DG sets used for backup power are fitted with acoustic enclosures.
4	Mumbai-Ahmedabad High-Speed Rail C-3 Package, Maharashtra (EPC project contract)	An Environment Management Plan, monitored by a third-party agency, is in place. Noise and vibration levels are monitored and acoustic enclosures or noise barriers installed for high-noise generating equipment. Limited type of activities allowed during nighttime. Controlled lighting has been implemented at yards and equipment movement is monitored to mitigate negative impact on fauna. Special arrangements made for disposal of muck and construction waste. Recycling of wastewater has been implemented and disposal, if any, through authorized agencies.
5	Orange Gate to Coastal Road, Maharashtra (EPC project contract)	Environmental impact is assessed as minimal, based on the customer's EIA study. Trucks and dumpers are covered during material transport and construction waste disposal. Dust suppression measures are implemented across the site and acoustic enclosures and noise barriers are installed for high-noise equipment and activities.

Sl. No.	Location of operations/offices	Actions taken
6	Dahisar Bhayander Bridge project, Maharashtra (EPC project contract)	An Environment Management Plan, monitored by a third-party agency, is in place. Acoustic enclosures and noise barriers are installed for high-noise equipment and nighttime activities are limited. Dust suppression measures are implemented across the site and proper waste management ensures no discharge of waste or wastewater into creeks and mudflats.
7	Amaala Utilities, Saudi Arabia (EPC project contract)	Suitable plants and shrubs have been translocated in line with Amaala's procedures. Topsoil from vegetated areas is stripped and stored safely for reuse. Offshore works, where applicable, are conducted in the presence of a Marine Mammal Observer. Archaeological structures are protected with barricading and signboards.
8	Mohammed bin Rashid Al Maktoum Solar Park Phase VI (EPC project contract)	All activities are confined within the pre-defined designated construction corridor. A 30-metre no-work exclusion buffer is established around identified sensitive habitats, including active burrows. Translocation activities, approved by the Dubai Municipality, are completed prior to construction. Barriers are installed to restrict animal movement and reduce disturbance. Any presence of biodiversity is reported to the authorities in line with the Biodiversity Management Plan.
9	Sazagan 1 and 2, Uzbekistan (EPC project contract)	Silt trap curtains have been installed for earthworks near unprotected canals, streams and rivers. Excavated topsoil is segregated and stored for site restoration of laydown areas and buffer zones. Equipment and vehicle washing is carried out in designated areas with impermeable surfaces and isolated drainage systems. Noise control measures e.g barriers and acoustic enclosures, are implemented at identified hotspots. Biodiversity Chance Find Procedures and a Tortoise Translocation Plan for Central Asian tortoise have been implemented.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sl. No.	Initiatives undertaken	Details of the initiative (web-link, if any, may be provided along with summary)	Outcome of initiative
1	Switching from DG sets to grid power	DG sets have traditionally been the primary power source at EPC sites. To reduce diesel use, the Company is securing grid power connections across locations. In FY 2025–26, key progress was made in Heavy Civil Infrastructure, Water & Effluent Treatment and Transport Infrastructure projects. This shift lowers diesel consumption, reduces emissions and improves operational efficiency.	Emissions avoided in FY 2025-26: ~8,709 tCO_2e
2	Increasing renewable energy consumption	In FY 2025–26, renewable electricity sourcing increased significantly across multiple sites, including manufacturing facilities at Kansbahal, Kancheepuram, Kattupalli and Talegaon and a few EPC project sites. This was enabled through a mix of on-site solar installations, Power Purchase Agreements (PPAs) and green tariff procurement.	Emissions avoided in FY 2025-26: ~6,130 tCO_2e
3	Recycling wastewater to reduce freshwater	Reducing freshwater withdrawal is a key focus area to achieve water neutrality. The Company is scaling up wastewater recycling through sewage treatment plants across all locations. Recycled water is used for non-potable purposes such as landscaping, toilet flushing, road washing and dust suppression.	Freshwater avoided, through wastewater recycling, for FY 2025-26: ~1.15 lakh kL

Sl. No.	Initiatives undertaken	Details of the initiative (web-link, if any, may be provided along with summary)	Outcome of initiative
4	Concrete primer	Concrete equipment such as pumps and pipelines require priming for safe and efficient operation. Traditionally, cement slurry is used. The Company is adopting polymer-based slurry at select EPC sites, which needs minimal on-site preparation and reduces water and resource use.	Freshwater reduction by more than 80% per cu. mtr. of slurry to be used for priming
5	Wood waste recycling	Wood is not a major input material; however, packaging of engineering goods, especially solar panels in the Renewables business, generates notable wood waste. At select EPC sites, such as Al Khushyabi (Saudi Arabia), this waste is being recycled into usable on-site products, including barricades, signage, pedestrian walkways, fire extinguisher boxes, bulletin boards and storage boxes.	Helped avoid ~151 MT of wood waste going to the landfill.

Other significant initiatives are covered in 'Natural Capital' and 'Intellectual Capital' sections of Integrated Annual Report FY 2025-26.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Incorporating resilience in operations is critical to ensure business continuity. The Company has a comprehensive business continuity and disaster management framework in place across all work locations to ensure that any significant risk emanating from disasters are properly managed.

- Site-specific emergency response plans are developed based on local conditions and risks and potential emergencies covering natural and manmade events such as fires, chemical releases, accidents and disease outbreaks. These plans define response procedures, communication and escalation protocols, roles of personnel including the designated emergency response team at the location, emergency facilities as well as coordination with the other public and private agencies relevant to the situation e.g. local public fire department, contact details of personnels from other private companies in the vicinity.
- Training and communication are key to ensuring effective implementation of the plan and the workforce, including the contractual workers, are made aware of SOPs relevant to disaster management.
- Audits and mock drills are also conducted periodically to check effectiveness of the plans.
- A centralized Crisis Management SOP addresses emerging geopolitical and cybersecurity risks, focusing on safeguarding personnel and assets while enabling swift, coordinated response to minimize operational disruptions and ensure continuity.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant risks or concerns were raised during the year. The Company ensures that contractors and supply chain partners adhere to its policies and guidelines, including compliance with applicable environmental regulations and responsible business practices.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

289 critical supply chain partners have been assessed which contribute to ~22% by value of business done with these partners.

8. **How many Green Credits have been generated or procured:**

A. **By the listed entity.**

No Green Credits have been generated or procured by the Company in FY 2025-26. Green Credits programme of Ministry of Environment, Forests and Climate Change (MoEFCC) does not currently allow private companies to participate in the programme.

B. **By the top ten (in terms of value of purchases and sales, respectively) value chain partners.**

A few value chain partners, which are public sector enterprises, had applied and paid for procurement of Green Credits. However, no Green Credits have been credited to their account in FY 2025-26. Green Credits programme of Ministry of Environment, Forests and Climate Change (MoEFCC) does not currently allow private companies to participate in the programme.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/ associations:** 63

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	National Safety Council (NSC)	National
4	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
5	Construction Industry Development Council (CIDC)	National
6	Quality Circle Forum of India (QCFI)	National
7	American Society of Concrete Contractors (ASCC)	International
8	British Safety Council (BSC)	International
9	International Chamber of Commerce (ICC)	International
10	Saudi Standards Organization (SASO)	International

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No issue or concern raised related to anti-competitive conduct by the entity during the year.

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity**

L&T actively engages in public policy advocacy across multiple sectors, aligned with its business priorities and commitment to national development. The Company is a key participant in various committees of industry bodies such as FICCI and CII, as well as sector-specific councils covering areas such as energy storage, semiconductors, quality, environment and climate change, capital goods, transport, aerospace and roads and highways.

In addition, the Company engages with nodal agencies, government ministries and other public institutions to provide sector-specific insights and technical expertise. Key areas of advocacy during the year included, but no limited to:

- **SHANTI (Sustainable Harnessing and Advancement of Nuclear Technology) Act, 2025:** The Company engaged with the industry bodies, Department of Atomic Energy, NITI Aayog and relevant committees, over an extended period to provide technical and commercial inputs towards enabling a structured framework for private sector participation in India's civilian nuclear energy sector. A few highlighted inputs provided are as follows:
  - Enabling licensing framework for private sector participation across the lifecycle of nuclear power projects (build, own, operate and decommission), with continued government control over sensitive activities.
  - Tiered operator liability structure with defined caps and a government-backed risk-sharing mechanism to facilitate commercial viability
  - Calibrated 'Right of Recourse' provisions to provide legal certainty to equipment suppliers and plant operators.

Outcome: The SHANTI Bill, 2025 was approved by Parliament in December 2025. The enacted provisions are broadly aligned with industry recommendations, including private sector licensing, defined liability structures and government-controlled activity exclusions.

- **Reforms in Public Procurement Models:** The Company, through industry associations, engaged with government stakeholders to advocate improvements in procurement frameworks to enhance quality, transparency and long-term value creation. A few highlighted inputs provided are as follows:
  - Transition from Least Cost (L1) and e-Reverse Auction mechanisms towards Quality and Cost Based Selection (QCBS); since the former tends to drive selection towards the lowest cost at the expense of technical competence and project quality.
  - Integration of ESG parameters and life-cycle costing in bid evaluation criteria to ensure sustainable and long-term value outcomes from public investment.
  - Policy measures to address abnormally low bids and improve project execution outcomes.
- **Jal Jeevan Mission:** As an implementation partner in the Jal Jeevan Mission, the Company provided field-level insights through industry associations to support policy refinement and execution efficiency. A few highlighted inputs provided are:
  - Adequate budgetary allocation and timely fund disbursement mechanisms.
  - Strengthening last-mile delivery through improved contractor capacity and logistics planning.
  - Enhanced inter-agency coordination and robust post-completion O&M frameworks to strengthen project monitoring and quality assurance.

  Outcome: JJM 2.0 was approved by the Union Cabinet in March 2026, with enhanced outlay and a revised service delivery framework.
- **Quality Control Orders (QCO) – Steel Raw Material Imports for BTG Manufacturing:** The Company engaged with the Ministry of Steel and industry bodies regarding Quality Control Orders impacting the import of specialised steel inputs required for Boilers, Turbines and Generators (BTG). A few highlighted inputs provided are as follows:
  - Representations to the government documenting the specific input materials affected, the absence of adequate domestic substitutes meeting requisite technical standards and the resulting impact on project execution timelines.
  - Advocating for a structured one-year transition period for materials in transit and under production, to prevent further supply chain disruptions.

  Outcome: The original QCO order was revoked. A clearance waiver was provided for consignments received up to July 2025. Engagement continues regarding transition provisions and future regulatory clarity.

  Ongoing areas: Policy advocacy remains a continuous and evolving process, with several priority areas from the previous year's BRSR continuing to be actively pursued. Key topics such as the development of a green taxonomy framework, the role of Small Modular Reactors in advancing nuclear energy, the progression of the green hydrogen policy and mission and ongoing reforms in public procurement models remain crucial to the Company's advocacy efforts.

Principle 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Social Impact Assessment (SIA) for the EPC project sites, executed as contracts awarded by the customers, are conducted by the customer and does not fall under the purview of the Company.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Rehabilitation and Resettlement (R&R) for the EPC project sites, executed as contracts awarded by the customers, are conducted by the customer and does not fall under the purview of the Company.						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company has established comprehensive grievance redressal mechanisms across its project sites, manufacturing facilities, campuses and offices to capture and address community concerns. Complaints are received through multiple channels, including designated personnel, administration and industrial relations teams and complaint/suggestion boxes placed at the locations. Community members may raise grievances either in writing or orally. Grievances are addressed based on their severity and complexity, with resolution timelines defined accordingly and outcomes communicated to the concerned stakeholders. Typically, grievances may be submitted in writing to the respective Project Head/Coordinator, who records, assesses and initiates corrective action.

The Company's Whistleblower Mechanism also serves as an alternate channel, also available at https://www.larsentoubro.com/corporate-policies, ensuring multiple avenues for stakeholders to raise concerns. Additional channels include contact details available on the Company's website and official social media platforms. The grievances are routed to relevant functions for resolution, with progress tracked until closure. Matters requiring escalation are referred to business heads for appropriate action.

CSR initiatives are implemented in partnership with NGOs, government agencies and internal teams across locations. A structured grievance mechanism is in place for CSR projects, enabling communities to raise concerns and ensuring timely and transparent resolution. Alternatively, grievances may also be submitted directly to Corporate CSR department through email at grievance.csr@larsentoubro.com, with a commitment to provide communication or resolution within 20 days. The Company actively seeks stakeholder feedback to strengthen CSR outcomes. Requests related to expansion of CSR scope, new project proposals or additional funding fall outside the scope of the grievance mechanism.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	11%	10%
Directly from within India	64%	70%

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Job creation in smaller towns - salaries paid to employees: In FY 2025-26, around 89% of the jobs were created within India and rest 11% were created outside India. Below is the data has been disclosed for the jobs created within India for employees (permanent and other than permanent) and permanent workers. The locations of the jobs created have been identified based on the location of the offices, EPC project sites' offices and manufacturing facilities of the Company.

Job creation: Location categorised as per RBI Classification System	FY 2025-26	FY 2024-25
Rural	7%	10%
Semi-Urban areas	3%	6%
Urban areas	4%	4%
Metropolitan area	86%	80%

Job creation in smaller towns - wages paid to workers: The Company engaged over 3,75,000 contractual workers during FY 2025–26 across more than 600 locations, primarily through service and manpower contracts. The nature of associated challenges and the approach to disclosure of contractual workforce data are detailed under Principle 5, Essential Indicator Q3(b).

The disclosed data is based on CLRA filings and presented on a calendar year basis (January–December 2025), covering jobs created for non-permanent (contractual) workers within India. Job locations have been mapped based on the Company's offices, EPC project site offices and manufacturing facilities. While the data reflects that the jobs are created mostly at the metropolitan regions, a significant proportion of the workforce comes from rural and semi-urban areas.

Job creation: location categorized as per RBI Classification System	CY 2025	CY 2024
Rural areas	21%	18%
Semi-Urban areas	26%	18%
Urban areas	17%	15%
Metropolitan area	36%	49%

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
No actions required to be taken by the Company, due to the reasons disclosed in Question 1 of Essential Indicators	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	States	Aspirational Districts	Amount Spent (in ₹)
1	**Andhra Pradesh**		**2,10,82,640**
		Visakhapatnam	1,95,86,640
		Vizianagaram	14,96,000
2	**Assam**	Dhubri	**15,17,000**
3	**Bihar**		**68,26,950**
		Katihar	14,06,000
		Muzaffarpur	46,60,950
		Nawada	7,60,000
4	**Chhattisgarh**	Bastar	**2,10,000**

S. No.	States	Aspirational Districts	Amount Spent (in ₹)
5	**Gujarat**	Dahod	**3,02,000**
6	**Jharkhand**		**23,22,000**
		Dumka	5,63,000
		Garhwa	3,63,000
		Ranchi	13,96,000
7	**Odisha**		**5,32,000**
		Balangir	4,40,000
		Dhenkanal	92,000
8	**Punjab**	Moga	**5,37,000**
9	**Rajasthan**	Sirohi	**4,15,000**
10	**Uttar Pradesh**	Shravasti	**4,10,000**
		Total	**3,26,37,590**

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No). If NA, provide details.**

The Company follows structured procurement practices aligned with its commitment to quality, sustainability and ethical standards. Its Code of Conduct for Suppliers and Sustainable Supply Chain Policy emphasise fair working conditions, environmental stewardship, human rights, responsible sourcing and ethical business practices across the supply chain.

While the Company does not have a specific preferential procurement policy for supply chain partners from marginalised or vulnerable groups, existing processes support inclusive participation; for e.g. encouraging participation of micro, small and medium enterprises (MSMEs) in bidding processes, promoting services from marginalised communities wherever feasible.

However, given the nature of the Company's EPC and high-tech manufacturing operations—which require large volumes of specialised industrial materials and services—procurement is largely undertaken from established large and mid-sized enterprises due to scale, quality and compliance requirements.

(b) **From which marginalized /vulnerable groups do you procure?**

Groups such as person with disabilities, women self-help groups (SHG)

(c) **What percentage of total procurement (by value) does it constitute?**

The Company engages with marginalised and vulnerable groups—such as women-led Self-Help Groups (SHGs), local farmers and small business owners—primarily for canteen-related supplies at its manufacturing facilities. However, procurement from these groups constitutes a relatively small share of the overall spend. This is attributable to the nature of the Company's EPC and high-tech manufacturing operations, which require large volumes of industrial materials (e.g., cement, steel, fuel, pipes, cables, ready-mix concrete) and specialised services such as logistics, IT/ITES and manpower subcontracting. These requirements are typically met by large and mid-sized enterprises due to scale, quality and compliance considerations.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
The Company did not have any intellectual property owned, created, or acquired based on traditional knowledge during the year.				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
The Company did not have any intellectual property owned, created, or acquired based on traditional knowledge during the year.		

5. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Construction Skills Training Institutes and other skilling programs for women & youth	16,685	100%
2	Enhancing educational infrastructure in Schools	1,42,411	100%
3	Promoting STEM Education in Schools & Improving quality of education	1,18,008	100%
4	Water conservation initiatives and Integrated Community Development Programme for Rural Areas	69,552	100%
5	Environment Conservation Initiatives	7,95,097	100%
6	Community Health Initiatives	7,98,848	100%
	Total	**19,40,601**	

Principle 9: businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

L&T operates predominantly in the B2B (business-to-business) sector. As a leading conglomerate, the Company provides a wide range of services and solutions to various industries. There are multiple channels to collect consumer complaints and feedback.

- **Communication:** Customers can submit complaints or feedback through email, letters, customer complaint registers and even verbally directly to the business teams at various work locations of the Company. The Company also has a toll-free number and email address at infodesk@larsentoubro.com for collecting the customer inputs/feedback. Feedback from the customers is collected through a structured feedback form on a periodic basis. Format to record the complaints/feedback as well as SOPs to handle them are part of the Quality Management System implemented by various business units of the Company. Inputs received from the customers are categorized and forwarded to the relevant teams or departments. Each business unit maintains a record of complaints received and resolutions provided. These are reviewed at regular intervals at different management levels, starting from project teams and up to Business Head and Executive Committee level.
- **Physical Offices:** L&T has several offices across India where consumers can submit their concerns in person or via mail to the concerned department or person.
- **L&T's Investor Relations Cell:** can be contacted at igrc@larsentoubro.com

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not applicable
Recycling and/or safe disposal	

The Company does not manufacture or sell consumer products. The products manufactured by the Company are engineered-to-order equipment, modules, sub-systems etc for process industries and other such sectors. All relevant information e.g., operating parameters, maintenance process are provided as part of the contractual requirements to the customers.

3. **Number of consumer complaints in respect of the following:**

Particulars	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. **Details of instances of product recalls on account of safety issues:**

Particulars	Number	Reasons for recall
Voluntary recalls	The products manufactured by the Company are engineered-to-order equipment, modules, sub-systems, for process industries and other such sectors. There were no product recalls (voluntary or forced) made on ground of safety in FY2025-26.	
Forced recalls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy.**

L&T demonstrates a strong commitment to cybersecurity and data privacy through comprehensive policies and strategic initiatives:

- **Data Privacy framework** outlines the collection, use and protection of personal information. The policy emphasizes the secure storage of personal data on password- and firewall-protected servers. It also acknowledges the inherent risks of internet data transmission and advises users accordingly. Additionally, the policy addresses the use of cookies and provides guidance on managing them.
- **Cybersecurity Initiatives:** A well-defined Cyber Crisis Management Plan is in place to respond to critical incidents. Incident response follows a structured life-cycle detection, containment, investigation, mitigation, recovery and reporting to ensure timely and effective action. A 'Defence in depth' strategy has been implemented, through Firewalls, Web Application Firewall (WAF), Endpoint Detection and Response (EDR), Data Loss Prevention (DLP) and Privileged Access Management (PAM). Vulnerability assessments are conducted regularly and a 24x7 Security Operations Centre (SOC) uses Security Information and Event Management (SIEM) tools for continuous monitoring, detection and responding to cyber threats.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   No cases/complaints received in above matters.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact**

   b. **Percentage of data breaches involving personally identifiable information of customers**

   c. **Impact, if any, of the data breaches**

      No data breaches involving personally identifiable information of customers occurred during the year.

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   L&T offers detailed information about its diverse products and services through various official channels:

   - **Corporate Website:** The primary channel for communicating the Company's offerings is its official website at https://www.larsentoubro.com. 'Products and Services' section provides insights into the Company's extensive range of solutions across sectors such as infrastructure, energy, oil & gas, process industries and other industries.
   - **Websites of the business verticals:** Various businesses of the Company maintain dedicated websites that offer in-depth information on the business specific offerings:
     - L&T Construction: As one of the largest construction organizations globally, L&T Construction's website details its capabilities for EPC projects in infrastructure and related sectors.
     - L&T Energy: showcases the capabilities of various businesses of L&T for execution of EPC projects in oil & gas sector, thermal and gas power, offshore wind and green hydrogen and derivatives.
     - L&T Heavy Engineering: showcases the Hi-Tech manufacturing capabilities related to equipment, subsystems or modules for process plants, nuclear power and other industries
     - Other businesses such as Rubber Processing Machinery, Construction & Mining Machinery, Valves, Shipbuilding, Precision Engineering and Systems, L&T-SuFin, L&T EduTech, Larsen & Toubro Vyoma and more
     - L&T Realty: showcases the capabilities and offerings across different segments - residential, commercial and retail spaces - of real estate related business
   - **Annual Reports and Investor Presentations:** L&T's annual reports and investor presentations, accessible through the 'Investors' section of the Company website (https://investors.larsentoubro.com/), provide detailed overview of business performance, new contract wins, business strategy and initiatives.
   - **Social Media Platforms:** L&T is present on platforms like LinkedIn, X (formerly Twitter) and YouTube, where the Company shares business updates, highlights from contracts under execution, CSR and sustainability initiatives, information on products and services and so on.

   Through these various channels, stakeholders can access detailed and up-to-date information on L&T's diverse products and services across its various businesses.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company does not operate in B2C (business-to-consumer) segment, with its offerings comprising engineered-to-order equipment, modules and sub-systems for process industries and related sectors. The Company engages regularly with customers to showcase its products, innovations, emerging technologies and advanced execution methodologies.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company does not have a direct role in the provision of essential services. However, during execution of EPC project contracts and transportation of machinery/equipment related to such contracts, proactive coordination is undertaken with customers and relevant public authorities. Necessary approvals are obtained in advance for activities such as road closures, traffic diversions and temporary isolation of utilities, ensuring minimal disruption and safe execution.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable)? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   The Company does not manufacture or sell products covered under consumer protection or product labelling regulations applicable to B2C segments. However, it ensures that all relevant information including technical specifications, safety guidelines, environmental considerations, quality certifications and user instructions is provided to customers as part of contractual requirements. Additional information is also shared, as appropriate, to support informed decision-making, safe usage and transparency in product and service delivery.

   L&T regularly conducts customer satisfaction surveys across its business verticals as part of its Quality Management System. These structured surveys are conducted on a half-yearly or annual basis, assess customer experience, service quality and product performance. Feedback is also gathered through customer review meetings, third-party assessments and digital platforms.

   Insights from these mechanisms are reviewed by leadership and integrated into continuous improvement initiatives across business units. In addition, dedicated teams within specific businesses engage closely with customers and stakeholders to address feedback, resolve concerns and enhance overall service delivery, reinforcing the Company's commitment to customer centricity.

Independent Assurance Statement

To,
Larsen & Toubro Limited
L&T House, Ballard Estate
Mumbai 400 001, Maharashtra

Independent Assurance Statement to Larsen & Toubro Limited on select non-financial sustainability disclosures in the Business Responsibility and Sustainability Report for the financial year 2025-26.

Introduction and objective of engagement

Larsen & Toubro Limited (the 'Company') has developed its Business Responsibility and Sustainability Report (BRSR) 2025-26 (the 'Report') based on the BRSR reporting guidelines, including the BRSR Core indicators prescribed by SEBI for listed entities. The reporting criteria have been derived from the Principles of National Guidelines on Responsible Business Conduct (NGRBC), and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard.

BDO India Services Private Limited ("BDO India") was engaged by the Company to provide independent assurance on BRSR Core indicators of the Report that includes the Company's performance for the period 1st April 2025 through 31st March 2026.

The Company's responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

BDO's responsibilities

BDO India's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope & boundary of assurance' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

Assurance standard

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and ISAE 3410, "Assurance Engagements on Greenhouse Gas Statement" issued by the International Auditing and Assurance Standards Board (IAASB). We applied the criteria of 'Reasonable' assurance.

Scope & boundary of assurance

We have assured non-financial information of the BRSR Core indicators[1] in the Report (as set out under Appendix 1 to this statement), pertaining to the Company's performance for the period 1st April 2025 through 31st March 2026.

The reporting scope and boundary cover the Company's operations. Verification of non-financial sustainability performance data, based on our professional judgment was conducted at the following sites, on a sample basis:

- Buildings & Factories (B&F): Bhogapuram Airport
- Heavy Civil Infra (HCI): HSR C4, HSR C3, RVNL 4, RVNL 2, CMRL TU 02
- Heavy Engineering (HE): Hazira
- LTEH – Offshore: PRP8, Daman Upside Development – WP, MFF-Kattupalli, MFF- Hazira
- LTEH – Onshore: Master Gas Phase III
- Minerals & Metals (M&M): Kansbahal Works
- Office: Chennai HQ

[1] SEBI vide SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023

- Power Transmission & Distribution (PT&D): Pithampur
- Renewables: 1800 MW DEWA VI Solar PV, Amaala Utilities PPP Project
- Transportation Infra-Roads (TI-RBF): MPRRP, MAHSR C6, Dhubri Phulbhari Bridge, Palashbari Sualkuchi Bridge

Assurance methodology

Our assurance process entails conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope. We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review process included:

- Evaluation and assessment of the appropriateness of the quantification methods used to arrive at the non-financial sustainability information of the BRSR Core indicators in the Report;
- Review of consistency of data/information within the Report as well as between the Report and the source;
- Engagement through discussions with personnel at the corporate level who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls;

Limitations and exclusions:

There are inherent limitations in an assurance engagement, including, for example, the use of judgement and selective testing of data. Accordingly, there are possibilities that material misstatements in the Report may remain undetected.

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2025 through 31st March 2026);
- Review of the 'economic and/or financial performance indicators' included in the Report or on which reporting is based; we have been informed by the Company that these are derived from the Company's audited financial records;
- The Company's statements and claims related to any topic other than those listed in the 'Scope & boundary of assurance';
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration/targets, expectation, aim or future intention.

Our observations

We have reviewed the disclosures in the Report for the reporting period from 1st April 2025 through 31st March 2026. The Company has made considerable efforts towards collecting and organizing data for reporting as per the SEBI guidelines. The disclosures of the Company, covered under the 'Scope and boundary of assurance', are fairly reliable. However, there is an opportunity for improvement in the existing system of data consolidation accompanied with standardized procedures for robust data collection and reporting related to water withdrawal, waste generation, and capture of manhours data.

Our above observations, however, do not affect our conclusion regarding the report.

Our conclusion

Based on the scope of our review, we conclude that the non-financial sustainability disclosures as mentioned in 'Scope and boundary of assurance' fulfil the criteria of relevance, completeness, reliability, neutrality, and understandability as per the 'reasonable' assurance criteria of the applied standard.

Our assurance team and independence

BDO India Services Private Limited is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organizations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organization. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For **BDO India Services Private Limited**

Indra Guha
Partner | Sustainability & ESG Business Advisory Services
Gurugram, Haryana

11th May 2026

APPENDIX 1

(to be read as part of 'Scope and boundary of assurance')

The sustainability indicators/disclosures considered during the engagement are presented below:

BRSR Core Indicators

Sr. No.	Principle/ Indicator/ Reference	Attribute	Parameter
1	Principle 6-E7	Green-house gas (GHG) footprint	Total Scope 1
			Total Scope 2
			GHG Emission Intensity (Scope 1 + Scope 2)
2	Principle 6-E3 Principle 6-E4	Water footprint	Total water consumption
			Water consumption intensity
			Water Discharge by destination and levels of Treatment
3	Principle 6-E1	Energy footprint	Total energy consumed (% of energy consumed from renewables)
			Energy intensity
4	Principle 6 – E9	Embracing circularity-details related to waste management by the entity	Specified types of waste
			Total waste generated
			Waste intensity
			Category wise waste recovery
			Category wise waste disposed
5	Principle 3 – E1(C) Principle 3 – E11	Enhancing employee wellbeing and Safety	Spending on measures towards wellbeing of employees and workers
			Details of safety related incidents for employees and workers
6	Principle 5 – E3(b) Principle 5 – E7	Enabling Gender Diversity in Business	Complaints on POSH
			Gross wages paid to females as % of wages paid
7	Principle 8 – E4 Principle 8 – E5	Enabling Inclusive Development	Input material directly sourced from MSMEs/small enterprises and from within India
			Job creation in smaller towns
8	Principle 9 – E7 Principle 1 – E8	Fairness in Engaging with Customers and Suppliers	Incidents involving loss/breach of customer data
			No. of days of accounts payable
9	Principle 1 – E9	Open-ness of business	Concentration of purchases from trading houses, sales through Dealers/distributors, related parties purchase/sales, loans and advances & investments with related parties

LARSEN & TOUBRO LIMITED

Regd. Office: L&T House, Ballard Estate, Mumbai 400 001.
CIN: L99999MH1946PLC004768
Email: igrc@larsentoubro.com • Website: www.larsentoubro.com
Tel No: 022-67525656 • Fax No: 022-67525858

Notice

NOTICE IS HEREBY GIVEN THAT the Eighty-First Annual General Meeting of **LARSEN & TOUBRO LIMITED** will be held through **VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS on Friday, June 5, 2026 at 3:00 P.M. IST** to transact the following business:

Ordinary Business

1) To consider and adopt the audited standalone financial statements of the Company for the year ended March 31, 2026 and the Reports of the Board of Directors and Auditor's thereon.

2) To consider and adopt the audited consolidated financial statements of the Company for the year ended March 31, 2026, and the report of the Auditor's thereon.

3) To declare a final Dividend of ₹ 38 per share of face value of ₹ 2 each for FY 2025-26.

4) To appoint a Director in place of Mr. Anil Vithal Parab (DIN: 06913351), who retires by rotation and being eligible, offers himself for re-appointment.

5) To appoint a Director in place of Mr. R. Shankar Raman (DIN: 00019798), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

6) **Re-appointment of Mr. R. Shankar Raman (DIN: 00019798) as President and Whole-time Director - Finance effective October 1, 2026.**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (the "Act"), read with Schedule V of the Act and the rules made thereunder and subject to such consents, permissions and approvals as may be required in this regard, Mr. R. Shankar Raman (DIN: 00019798) and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013, proposing his candidature for re-appointment to the office of President and Whole-time Director - Finance of the Company be and is hereby re-appointed as the President and Whole-time Director - Finance with effect from October 1, 2026 upto and including September 30, 2028.

RESOLVED FURTHER THAT Mr. R. Shankar Raman in his capacity as President and Whole-time Director - Finance, be paid remuneration as may be fixed by the Board, from time to time, as prescribed under the Companies Act, 2013 and within the limits approved by the members as per the details given in the explanatory statement.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) thereof) and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

7) **Re-appointment of Mr. Pramit Jhaveri (DIN: 00186137) as Independent Director of the Company for a term of 5 years effective April 1, 2027.**

To consider and, if thought fit, to pass the following as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions of the Companies Act, 2013 (the "Act") read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other rules, as may be applicable, Regulation 17 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations") as amended from time to time, and the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Pramit Jhaveri (DIN: 00186137) who was appointed as an Independent Director of the Company pursuant to postal ballot notice dated April 13, 2022, and who holds office as an Independent Director upto March 31, 2027, and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act along with the rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, and who is eligible for re-appointment as a Non-Executive, Independent Director of the Company, under the

provisions of the Act, Rules made thereunder and the Listing Regulations, and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013, proposing his candidature for re-appointment to the office of Non-Executive, Independent Director of the Company, be and is hereby re-appointed as a Non-Executive, Independent Director of the Company, for a term of 5 (five) consecutive years commencing from April 1, 2027 up to and including March 31, 2032 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197, and other applicable provisions of the Act and the Rules made thereunder, Mr. Pramit Jhaveri shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in the capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) thereof) and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

8) **Appointment of Mr. Vijay Sankar (DIN: 00007875) as an Independent Director of the Company for a term of 5 years effective May 27, 2026.**

To consider and, if thought fit, to pass as a **SPECIAL RESOLUTION** the following:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions of the Companies Act, 2013 (the "Act"), read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, and such other rules, as may be applicable, Regulation 17 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended from time to time and pursuant to the provisions of Articles of Association of the Company, recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Vijay Sankar (DIN: 00007875), who has been appointed as an Additional Director (Independent) of the Company with effect from May 27, 2026, in terms of Section 161 of the Act and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act along with the rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and who is eligible for appointment under the provisions of the Act, Rules made thereunder and the Listing Regulations and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Non-Executive, Independent Director of the Company, be and is hereby appointed as a Non-Executive, Independent Director of the Company for a term of 5 (five) consecutive years commencing from May 27, 2026, up to and including May 26, 2031, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197, and other applicable provisions of the Act and the Rules made thereunder, Mr. Vijay Sankar shall be entitled to receive the remuneration / fees / commission as permitted to be received in the capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any Committee(s) thereof) and the Company Secretary be and are hereby severally authorised to do all such acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9) **Ratification of remuneration payable to Cost Auditors for FY 2026-27:**

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

"**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies the remuneration of ₹ 20 lakhs plus applicable taxes and out of pocket expenses at actuals for travelling and boarding/ lodging for the financial year ending March 31, 2027 to M/s R. Nanabhoy & Co. Cost Accountants (Regn. No. 000010), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2026-27."

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

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

Mumbai, May 5, 2026

Notes:

[a] The Notice of Annual General Meeting was approved by the Board of Directors at its meeting held on May 5, 2026.

[b] The information required to be provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and the Secretarial Standards on General Meetings, regarding the Directors who are proposed to be appointed/ re-appointed and the related Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of Special Business are annexed hereto.

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

Ministry of Corporate Affairs ("MCA") vide its Circular No. 3/2025 dated September 22, 2025 (In continuation with the Circulars issued earlier in this regard) ("MCA Circulars") has allowed conducting Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) without the physical presence of Members. In compliance with the applicable provisions of the Act and MCA Circulars, the 81st AGM of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. Since this AGM is being held through VC/OAVM the physical attendance of members is dispensed with and no proxies would be accepted by the Company. No proxy form has been sent along with this Notice. No attendance slip/route map has been sent along with this Notice as the meeting is held through VC/ OAVM. Members who are shareholders as on **Friday, May 29, 2026 ("Cut-off Date")** can join the AGM 30 minutes prior to the commencement of the AGM i.e at 2:30 P.M. and till the time of the conclusion of the AGM by following the procedure mentioned in this Notice.

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

[d] **Final Dividend for FY 2025-26:**

The Board of Directors, at its meeting held on May 5, 2026, has recommended a Final Dividend of ₹ 38 per share. The record date for the purpose of payment of final dividend is **Friday, May 22, 2026**. Final Dividend if approved by the Members at this AGM will be directly credited to the Bank account of the shareholders whose names appear, as at the Record Date, in the register of members or the beneficiary position data furnished by the Depositories.

In accordance with Regulation 12 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with SEBI Master Circular No. HO/38/13/ (4)2026 – MIRSD - POD/I/4298/2026 dated February 6, 2026, dividend to security holders shall be paid only through electronic mode including to those who are holding securities in physical form. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), bank account details and specimen signature ("KYC") and choice of Nomination. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf

Members holding shares in physical form are requested to furnish Form ISR-1, Form ISR-2 and SH-13 (available on the Company's website at https://investors.larsentoubro.com/DownloadableForms.aspx#) to update KYC and choice of Nomination (in case the same are not already updated), to KFin Technologies Limited ("KFintech"), Selenium Tower B, Plot Nos. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, who are the Company's Registrar and Share Transfer Agents, so as to reach them latest by the Record Date i.e. Friday, May 22, 2026. Alternatively, members may send the documents by email to KFintech at einward.ris@kfintech.com or upload on their web-portal https://ris.kfintech.com, provided in both cases the documents furnished shall have digital signature of the shareholders. In respect of members holding shares in demat mode, the details as furnished by the Depositories as on the Record Date will be considered by the Company. Hence, members holding shares in demat mode are requested to update their details with their Depository Participants at the earliest.

[e] **TDS on Dividend:**

Dividend income is taxable in the hands of shareholders, and the Company is required to deduct Tax at Source (TDS) from such dividend paid to shareholders at the applicable rates prescribed by the Tax law in force. The applicable rate depends on the shareholder's residential status, availability of valid PAN, tax treaty benefits (in case of non-resident

shareholders) & special exemptions, if any, and submission of all requisite details & documents to the Company.

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

Members are requested to provide the documents/ details to KFintech within the time prescribed in the communication being sent to the shareholders in order to enable us to determine the appropriate rate at which tax has to be deducted at source under the respective provisions of the Income-tax Act, 2025.

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

In line with the MCA Circulars and Regulation 36 of SEBI Listing Regulations, this Notice along with the Integrated Annual Report for FY 2025-26 is being sent by electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ Depository Participants/ KFintech. Members may note that the Notice and Integrated Annual Report 2025-26 will also be available on the Company's website www.larsentoubro.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of National Securities Depository Limited (NSDL) https://www.evoting.nsdl.com. Hard copy of the full Integrated Annual Report will be sent to shareholders upon request.

Additionally, as per Regulation 36(1)(b) of the Listing Regulations, a letter providing the weblink of the Annual Report for FY 2025-26 and a static Quick Response Code (QR Code), will be sent to those shareholder(s) who have not registered their email address with the Company/ Depositories / Depository Participants / KFintech.

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

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

1. Those Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

   a) Members holding shares in physical forms are requested to furnish Form ISR-1, Form ISR-2 and SH-13 (available on the Company's website at https://investors.larsentoubro.com/DownloadableForms.aspx) along with the necessary attachments mentioned in the said Forms to KFintech, Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032. Members may also email the duly filled forms to einward.ris@kfintech.com. This will enable the shareholders to receive electronic copies of the Integrated Annual Report for FY 2025-26 and this Notice.

   b) Members holding shares in demat form may validate/ update their email address and other details with their respective Depository Participants.

2. Members who have already registered their email addresses are requested to get their email addresses validated with their Depository Participants/ KFintech to enable servicing of notices / documents / Annual Reports electronically to their email address.

[h] **Important Information for Shareholders:**

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

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

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

Alternatively, members may send the documents by email to KFintech at einward.ris@kfintech.com or upload on their web portal https://ris.kfintech.com, provided in both cases the documents furnished shall have digital signature of the holders.

2. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at https://investors.larsentoubro.com/DownloadableForms.aspx# and on the website of the KFintech at https://ris.kfintech.com. It may be noted that any service request can be processed only after the folio is KYC compliant.

3. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated that transfer of securities should be done in dematerialized form only. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialize the shares held by them in physical form.

4. SEBI vide its Circular SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2025/3 dated March 19, 2025, titled "**Harnessing DigiLocker as a Digital Public Infrastructure for Reducing Unclaimed Assets in the Indian Securities Market**" had introduced to address the issue of unclaimed financial assets. This initiative enables investors to store and access information of their demat and mutual fund holdings through DigiLocker, a key Digital Public Infrastructure, benefiting investors and their families.

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

   For details, you may refer the above mentioned circular at SEBI - DigiLocker Circular.

[i] **Inspection of Documents:**

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in this Notice and the Annual Report for "Inspection of members" will be available, for inspection electronically, to the members during the AGM.

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

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

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

Dividend No.	Date of Declaration	For the year ended	Due for Transfer on	Dividend unclaimed as at March 31, 2026 (₹ Crore)
90	01.08.2019	31.03.2019	06.09.2026	15.42
91	18.03.2020	31.03.2020	24.04.2027	14.19
92	13.08.2020	31.03.2020	18.09.2027	6.55
93	28.10.2020	31.03.2021	02.12.2027	13.02
94	05.08.2021	31.03.2021	11.09.2028	11.91
95	04.08.2022	31.03.2022	10.09.2029	13.54
96	25.07.2023	31.03.2024	30.08.2030	3.53
97	09.08.2023	31.03.2023	14.09.2030	14.06
98	04.07.2024	31.03.2024	10.08.2031	25.80
99	17.06.2025	31.03.2025	23.07.2032	25.75
Total				**143.77**

Members who have not encashed their dividends pertaining to the aforesaid years may approach the Company/its Registrar, for obtaining payments

thereof atleast 30 days before they are due for transfer to the said fund.

2. Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has during the financial year 2025-26 transferred to the IEPF Authority 3,41,070 equity shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to IEPF Authority are available on the website of the Company and the same can be accessed through the link: https://investors.larsentoubro.com/shareholder-services.aspx. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

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

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

Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, May 29, 2026 through email on IGRC@larsentoubro.com. The same will be replied to by the Company suitably.

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

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

BSE: https://bsecrs.bseindia.com/ecomplaint/frmInvestorHome.aspx

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

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

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

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

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

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

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

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

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to LNTGOGREEN@larsentoubro.com on or before the Cut-off Date i.e. Friday, May 29, 2026. Those Members who have registered themselves as a speaker and receive a confirmation from the Company will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

[m] **E-voting:**

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

voting through electronic means. The said facility of casting the votes by the members using electronic means (remote e-voting) will be provided by National Securities Depository Limited ("NSDL").

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-off Date i.e. Friday May 29, 2026 shall be entitled to avail the facility of remote e-voting or e-voting on the day of the AGM. Persons who are not members as on the Cut-off Date should treat this notice for information purposes only.

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

The remote e-voting period commences on Monday, June 1, 2026 at 9.00 A.M. and ends on Thursday, June 4, 2026 at 05.00 P.M. During this period, members of the Company holding shares either in physical or dematerialised form, as on the Cut-off Date of **Friday, May 29, 2026** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

Instructions for e-voting during the AGM:

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

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

Member(s), whose names appear in the Register of Members / list of Beneficial Owners as on **Friday, May 29, 2026**, are entitled to vote on the resolutions. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a member of the Company after the notice is sent and continues to hold shares as of the Cut-off Date i.e. **Friday, May 29, 2026**, may obtain the login ID and password by sending a request at evoting@nsdl.com or the Company at IGRC@larsentoubro.com or follow the steps mentioned in the Notice of the AGM under "Access to NSDL e-voting system". However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you could reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call at 022 4886 7000.

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

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

Step 1: Access to NSDL e-voting system

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

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., verification code and generate OTP. Enter the OTP received on registered email/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting web page of NSDL for casting your vote during the remote e-Voting period. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "**Access to e-voting**" under e-voting services and you will be able to see e-voting page. Click on company name or **e-voting service provider i.e. NSDL** and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or **e-voting service provider i.e. NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also link provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

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

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

II. Login method for e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

1. Visit the e-voting website of NSDL. Open web browser and type the following URL: www.evoting.nsdl.com either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which

is available under "Shareholders / Member" section.

3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than individual shareholders are given below:

   a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

   a) Click on "Forgot User Details / Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number / folio number, your PAN, your name and your registered address.

   d) Members can also use the one-time password (OTP) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you

are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN 139264" to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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

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

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

correctly in their demat account in order to access e-voting facility.

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

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

The contact details for any grievances connected with respect to the facility for e-voting on the day of the AGM shall be the same as mentioned for remote e-voting.

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

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

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

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

The Company has appointed Mr. S. N. Ananthasubramanian, Practising Company Secretary, (Membership No. FCS 4206, COP No. 1774) or failing him, Mr. S. N. Viswanathan, Practising Company Secretary (Membership No. FCS 13685, COP No. 24335), to act as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.

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

Based on the report received from the Scrutinizer, the Company will submit within 2 working days to the stock exchanges details of the voting results as required under Regulation 44(3) of the Listing Regulations.

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

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, following Explanatory Statement sets out material facts relating to the special business under item(s) 6 to 9 of the accompanying Notice.

Item No. 6

Re-appointment of Mr. R. Shankar Raman (DIN: 00019798) as President and Whole-time Director- Finance:

The Shareholders at the 76th Annual General Meeting (AGM) held on August 05, 2021, approved the re-appointment of Mr. R. Shankar Raman (DIN: 00019798) as a Whole-time Director of the Company for a period of five years, with effect from October 1, 2021 upto and including September 30, 2026.

Basis the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on May 5, 2026, approved the re-appointment of Mr. R. Shankar Raman, as the President and Whole-time Director - Finance with effect from October 1, 2026 upto and including September 30, 2028, subject to the approval of the members in the Annual General Meeting.

The Company has received a Notice in writing from a Shareholder under Section 160 of the Companies Act, 2013, proposing his candidature to the office of President and Whole-time Director - Finance of the Company.

Mr. R. Shankar Raman would cease to be the Chief Financial Officer of the Company effective close of business hours of June 30, 2026, pursuant to appointment of Mr. P. Ramakrishnan as the Chief Financial Officer of the Company.

Mr. R Shankar Raman is a Commerce graduate from the University of Madras, Chennai. He is a qualified Chartered Accountant and a Cost Accountant. Over past 40 years of professional work experience, Mr. R. Shankar Raman has worked for leading listed Corporations in varied capacities in the field of Finance.

Mr. R. Shankar Raman joined L&T Group in 1994 for setting up L&T Finance Limited, a subsidiary of Larsen & Toubro Limited (L&T). Over the years, Mr. Shankar Raman assumed

responsibilities to oversee the entire finance function at the Group level including functions like Risk Management and Investor Relations. Mr. R Shankar Raman was appointed as the Chief Financial Officer of Larsen & Toubro Limited in September 2011 and subsequently elevated to the Board on October 1, 2011. He is a member of the Executive Committee of L&T since 2015. Mr. Shankar Raman is also on the Board of Management of several companies within the L&T Group. He had participated and presented papers in several conventions/ seminars both in India and abroad.

Mr. R Shankar Raman has been a recipient of several awards such as Best CFO of Asia in the Industrial Sector in a survey conducted by the prestigious New York based Institutional Investor Magazine, winner of Best CFO Awards from CNBC TV18, Financial Express, Business Today and Yes Bank.

Mr. R Shankar Raman was the Chairman of the CII's National Committee of CFOs in 2017-18. He was also a member of Uday Kotak's Committee on Corporate Governance constituted by SEBI.

Mr. R Shankar Raman is on the Boards of L&T Finance Limited, LTM Limited, L&T Realty Properties Limited, L&T Realty Developers Limited, L&T Semiconductor Technologies Limited, SuFin Limited and Vyoma.AI Limited.

Considering his expertise and leadership, and to leverage the same for Company's performance, the Board, approved re-appointment of Mr. R Shankar Raman as the President and Wholetime Director-Finance for a period of two years effective October 1, 2026.

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

The Company will enter into an Agreement with Mr. R. Shankar Raman, re-appointing him as a President and Wholetime Director-Finance for the period from October 1, 2026 upto and including September 30, 2028. During the period of this agreement and so long as the Whole-time Director performs his services as per the terms and conditions provided by this agreement, he shall be entitled to the following:

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

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

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

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

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

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

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

The Board recommends the appointment and the terms of re-appointment thereof of Mr. R Shankar Raman as a Whole-time Director of the Company for approval of the shareholders. Mr. R. Shankar Raman abstained from discussions and voting on matters concerning his appointment during the meeting of the Board of Directors.

None of the Directors and / or Key Managerial Personnel of the Company and / or their respective relatives, except Mr. R. Shankar Raman and his relatives, is concerned or interested, in the Resolution mentioned at Item No. 6 of the Notice.

Item No. 7

Re-appointment of Mr. Pramit Jhaveri (DIN: 00186137) as Independent Director of the Company for a term of 5 years with effect from April 1, 2027.

Mr. Pramit Jhaveri (DIN: 00186137) was appointed as an Independent Director of the Company pursuant to Postal Ballot Notice dated April 13, 2022, who holds office as an Independent Director up to March 31, 2027.

Basis the annual performance evaluation of Mr. Pramit Jhaveri and considering his experience and contributions made during his tenure as an Independent Director, as well as considering that his continued association would be beneficial to the Company, the Board of Directors, basis the recommendation of the NRC, at its meeting held on May 5, 2026, subject to the approval of the members, approved re-appointment of Mr. Pramit Jhaveri, as a Non-Executive Independent Director of the Company for a term

of five years commencing from April 1, 2027 to March 31, 2032.

The Company has received a Notice in writing from a Shareholder under Section 160 of the Companies Act, 2013, proposing his candidature to the office of Independent Director of the Company.

Mr. Pramit Jhaveri is Senior Advisor to Premji Invest and PJT Partners and an Independent Director on the Boards of Bajaj Finance and Bajaj Finserv. Mr. Pramit serves as a Trustee on the Board of several philanthropic, non-profit entities in India. Prior to his current activities, Mr. Jhaveri was Vice Chairman - Banking, Asia Pacific -Citibank. He served as Chief Executive Officer of Citibank India from 2010 to 2019. He retired from Citibank in November 2019 after a distinguished career in banking of 32 years, having joined the firm as a 23 year old in 1987. His continued association with the Company as an Independent Director would immensely benefit the Company.

The Company has received declaration from him confirming that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. He has further confirmed that he is not aware of any circumstances or situation which exists or may be reasonably anticipated, that could impair or impact his ability to discharge his dues in terms of Regulation 25(8) of Listing Regulations. He has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

He has also confirmed that he is not disqualified from being appointed as Director, in terms of the provisions of Section 164 of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company. There is no inter se relationship between him and any other member of the Board and other Key Managerial Personnel of the Company.

The terms and conditions of his re-appointment will be open for inspection by members in the manner as specified in the Notice up to the date of the Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulations 17 and 25 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr. Pramit Jhaveri as Non-Executive and Independent Director is being placed before the members for their approval by way of a Special Resolution.

The Board recommends the special resolution set out in Item No. 7 of the Notice, for approval of the members by means of a special resolution. Mr. Jhaveri abstained from discussions and voting on the matters concerning his appointment during the meetings of NRC as well as the Board of Directors.

None of the Directors and / or Key Managerial Personnel of the Company and / or their respective relatives, except Mr. Pramit Jhaveri and his relatives, is concerned or interested, in the Resolution mentioned at Item No. 7 of the Notice.

Item No. 8

Appointment of Mr. Vijay Sankar (DIN: 00007875) as an Independent Director of the Company for a term of 5 years effective May 27, 2026.

The Board of Directors of the Company at its meeting held on May 5, 2026, based on the recommendation of the Nomination & Remuneration Committee ("NRC"), approved the appointment of Mr. Vijay Sankar (DIN: 00007875) as an Additional Director (Independent) subject to the approval of members of the Company, to hold office as an Independent Director, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from May 27, 2026, up to and including May 26, 2031. The Company has received a Notice under Section 160 of the Act from a Member proposing his candidature to the office of Independent Director of the Company.

The Company has received requisite declarations and disclosures from Mr. Vijay Sankar confirming that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. He has further confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties, in terms of Regulation 25(8) of Listing Regulations. Mr. Vijay Sankar has confirmed his compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Mr. Vijay Sankar is not disqualified from being appointed as Director under Section 164 of the Act and is not debarred to hold the office of Director by virtue of any order passed by SEBI or any other authority and have given his consent to act as Director of the Company. Further, there are no inter se relationship between him and any other member of the Board and Key Managerial Personnel of the Company.

NRC has identified the desired attributes for the selection of Independent Director including leadership, Industry knowledge and experience, expertise in governance including legal compliance, experience & exposure in policy shaping and industry advocacy, expertise & experience in finance & accounts, audit & risk management areas, and global experience/international exposure as the skills

required for the role of a Director. Mr. Vijay Sankar fulfills all the attributes.

Mr. Vijay Sankar is a distinguished business leader and a qualified Chartered Accountant. He holds a master's degree in business administration from the JL Kellogg Graduate School of Management, Northwestern University, USA.

Mr. Vijay Sankar is the Chairman of the Sanmar Group, a Chennai-headquartered diversified conglomerate with manufacturing facilities in India, Mexico and Egypt. The Group has a strong presence in Chemicals (including Specialty Chemicals), Engineering Technologies (Products and Steel Castings) and Shipping, with an annual turnover of approximately US$ 1.6 billion.

Mr. Sankar serves as an Independent Director on the Boards of TVS Motor Company Limited, Oriental Hotels Limited, Kaveri Retreats and Resorts Limited and Transport Corporation of India Limited.

Mr. Sankar is actively involved in social and charitable initiatives and serves as Vice President of the Tamil Nadu Tennis Association, Trustee of The Childs Trust Hospital and Voluntary Health Services (VHS). He is a Member of the Board of Governors of the Medical Research Foundation (Sankara Nethralaya) and CPR Environment Education Centre.

Mr. Sankar is also the Honorary Consul General of Denmark in Chennai.

The NRC and Board of Directors views that the appointment of Mr. Vijay Sankar as an Independent Director would be in the interest of the Company considering his expertise in industry knowledge, corporate governance, strategic leadership, financial management, global business operations, stakeholder engagement, and sustainability.

Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, the Company is required to obtain approval of the members at the next general meeting or within a time period of three months from the date of appointment of Director, whichever is earlier. In compliance with the provisions of Sections 149, 152 and 161 and other applicable provisions of the Act read with Schedule IV to the Act and the rules framed thereunder and in terms of Regulations 17, 25 and other applicable provisions of the SEBI Listing Regulations, appointment of Mr. Vijay Sankar as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years from May 27, 2026 up to May 26, 2031 is being placed before the members for their approval by means of a Special Resolution.

A copy of the draft letter of appointment to be issued to Mr. Vijay Sankar setting out terms and conditions of appointment will be open for inspection by members in the manner as specified in the Notice up to the date of the Annual General Meeting.

The Board recommends the special resolution set out in Item No. 8 of the Notice, for approval of the members.

None of the Directors and / or Key Managerial Personnel of the Company and / or their respective relatives, except Mr. Vijay Sankar and his relatives are concerned or interested, in the resolution.

Item No. 9

Ratification of remuneration payable to Cost Auditors for FY 2026-27:

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ("the Rules") the Company is required to appoint a cost auditor to audit the cost records of the Company, for products and services, specified under Rules issued in pursuance to the above section. On the recommendation of the Audit Committee, the Board of Directors, at its meeting held on May 5, 2026, had approved the appointment of M/s. R. Nanabhoy & Co, Cost Accountants (Regn. No. 000010), as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2026-27, at a remuneration of ₹ 20 lakhs plus applicable taxes and out of pocket expenses at actuals for travelling and boarding/lodging.

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

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

The Board recommends this resolution for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 9, except to the extent of their shareholding in the Company.

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

SUBRAMANIAN NARAYAN
COMPANY SECRETARY &
COMPLIANCE OFFICER
M. No – A16354

Mumbai, May 5, 2026

Annexure I

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings.]

Name & DIN of the Director	Mr. Anil Vithal Parab (DIN: 06913351)	Mr. R Shankar Raman (DIN: 00019798)	Mr. Pramit Jhaveri (DIN: 00186137)	Mr. Vijay Sankar (DIN: 00007875)
Date of Birth/ Age	September 21, 1961	December 20, 1958	May 4, 1963	December 26, 1972
Date of first appointment on the Board	August 5, 2022	October 1, 2011	April 1, 2022	-
Qualifications	Mechanical Engineer	Bachelor's in Commerce | Chartered Accountant | Cost and Management Accountant	Bachelor's in Commerce | Master's in Business Administration	Chartered Accountant | Master's in Business Administration
Experience, Skills required for the role and the manner in which the proposed person meets the requirement including brief profile	Experience in Technology & Business Development	Detailed in the explanatory statement forming part of the Notice.		
Nature of expertise in specific functional areas	Mr. Anil Vithal Parab, Mr. R. Shankar Raman, Mr. Pramit Jhaveri and Mr. Vijay Sankar possess the following skills as approved by the Board:			

Skills	Mr. Anil Vithal Parab	Mr. R Shankar Raman	Mr. Pramit Jhaveri	Mr. Vijay Sankar
Leadership	✓	✓	✓	✓
Industry knowledge and Experience	✓	✓	x	✓
Experience and Exposure in policy shaping and industry advocacy	x	✓	x	✓
Governance including legal compliance	✓	✓	✓	✓
Expertise/ Experience in Finance and Accounts/ Audit /Risk Management areas	x	✓	✓	✓
Global Experience / International Exposure	✓	x	✓	✓

Directorships held in other companies.	The details of other directorships of the above directors are disclosed under https://www.larsentoubro.com/leadership			Refer Annexure II below
Memberships/ Chairmanships of committees across all companies	Refer Annexure II below			
Name of Listed entities from which the Director has resigned in the last three years.	Nil	1. L&T Metro Rail (Hyderabad) Limited 2. Epic Concesiones Private Limited. (erstwhile L&T Infrastructure Development Projects Limited).	Nil	1. The K C P Limited

Name & DIN of the Director	Mr. Anil Vithal Parab (DIN: 06913351)	Mr. R Shankar Raman (DIN: 00019798)	Mr. Pramit Jhaveri (DIN: 00186137)	Mr. Vijay Sankar (DIN: 00007875)
Number of Meetings attended during the financial year	Refer Corporate Governance Report FY26 for the details of the number of meetings attended by the Directors.			NA
Shareholding in the Company	Refer Corporate Governance Report FY26 for shareholding details			Nil
Relationships between directors inter-se	None			
Remuneration last drawn (in FY26), if applicable	Refer Corporate Governance Report FY26 for remuneration details			NA
Remuneration proposed to be paid	Mr. Pramit Jhaveri and Mr. Vijay Sankar will be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof, if any. In addition, they will be eligible for commission as determined annually by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company. The terms of re-appointment of Mr. R Shankar Raman has been detailed in the explanatory statement. Remuneration proposed to be paid is not applicable to Mr. Anil V Parab as the resolution pertains to retirement by rotation			

Annexure II

Other Directorships of Mr. Vijay Sankar

A. Public Limited Companies

- TVS Motor Company Limited
- Oriental Hotels Limited
- Chemplast Sanmar Limited
- Transport Corporation of India Limited
- Kaveri Retreats and Resorts Limited

B. Private Limited Companies

- Sanmar Consolidations Private Limited
- Stargate Enterprises Private Limited
- Barbourne Trading Private Limited
- NS Family Investments Private Limited
- VS Trading and Consultancy Private Limited
- C Sankar Trading and Consultancy Private Limited
- M Sankar Trading and Consultancy Private Limited
- SCL Consultancy and Trading Private Limited
- SCL Research Private Limited

C. Section 8 Companies / Foundations

- Chennai Willingdon Corporate Foundation
- Southern India Chamber of Commerce & Industry
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Young Presidents' Organization (Chennai Chapter)
- Chennai Heritage

Details of Memberships/ Chairmanships of committees across all companies

1. **Mr. Anil Vithal Parab** - Nil

2. **Mr. R Shankar Raman**

Committee	Company	Position
Audit Committee	LTM Limited	Member
	L&T Finance Limited	Member
Risk Management Committee	L&T Finance Limited	Member
Nomination & Remuneration Committee	L&T Finance Limited	Member
CSR & Sustainability Committee	Larsen & Toubro Limited	Member

3. **Mr. Pramit Jhaveri**

Committee	Company	Position
Audit Committee	Bajaj Finance Limited	Member
	Bajaj Finserv Limited	Member
Risk Management Committee	Bajaj Finance Limited	Chairman
	Bajaj Finserv Limited	Chairman
	Larsen & Toubro Limited	Member
Nomination & Remuneration Committee	Larsen & Toubro Limited	Member

4. **Mr. Vijay Sankar**

Committee	Company	Position
Audit Committee	Transport Corporation of India Limited	Member
	Chemplast Sanmar Limited	Member
Nomination & Remuneration Committee	TVS Motor Company Limited	Chairman
	Chemplast Sanmar Limited	Member
Corporate Social Responsibility Committee	Chemplast Sanmar Limited	Chairman
	Oriental Hotels Limited	Chairman
	TVS Motor Company Limited	Member
Stakeholder Relationship Committee	Chemplast Sanmar Limited	Member
Risk Management Committee	Chemplast Sanmar Limited	Member

INFORMATION AT A GLANCE:

Sr. No.	Particulars	Details
1.	**Day, Date and Time of AGM**	Friday, June 5, 2026, 3:00 P.M. (IST)
2.	**Mode**	Video Conference (VC) or Other Audio Visual Means (OAVM)
3.	**Participation through VC/OAVM**	Members can login from 02.30 P.M. (IST) on the date of the AGM at www.evoting.nsdl.com.
4.	**Helpline Number for VC/OAVM participation**	NSDL Helpline No. 022 4886 7000
5.	**Submission of Questions/ Queries before AGM**	Members seeking any information with regard to the accounts or any matter mentioned in the AGM Notice, are requested to write to the Company on or before the Cut-off Date i.e. Friday, May 29, 2026 via email at IGRC@larsentoubro.com. The same will be replied by the Company suitably.
6.	**Speaker registration before AGM**	Members may register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to LNTGOGREEN@larsentoubro.com on or before the Cut-off Date i.e. Friday, May 29, 2026.
7.	**Transcript**	Will be made available post AGM at www.larsentoubro.com
8.	**Dividend for FY 2025-26 recommended by the Board**	Final Dividend of ₹38 per equity share of face value of ₹2 each
9.	**Record Date**	Friday, May 22, 2026
10.	**Dividend Payment Date**	On or before Wednesday, June 10, 2026 (Tentatively)
11.	**Cut-off Date for e-voting**	Friday, May 29, 2026
12.	**Remote e-voting start time and date**	Monday, June 1, 2026, 09.00 A.M. (IST)
13.	**Remote e-voting end time and date**	Thursday, June 4, 2026, 05.00 P.M. (IST)
14.	**Remote e-voting website of NSDL**	**Shares held in Demat mode with NSDL:** 1. Shareholders registered for NSDL IDeAS facility: https://eservices.nsdl.com 2. Others: www.evoting.nsdl.com **Shares held in Demat mode with CDSL:** 1. Shareholders who have opted for Easi facility of CDSL: https://web.cdslindia.com/myeasitoken/home/login 2. Others: www.cdslindia.com **Logging in through Depositary Participants:** Members can also login using the login credentials of their demat account through your DP registered with NSDL /CDSL for e-voting facility.
15.	**Name, address and contact details of e-voting service provider and registrar and transfer agent**	**Registrar and Transfer Agent** KFin Technologies Limited Selenium Building, Tower-B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana, India - 500 032. Toll Free Number: 1800 3094 001 Email: einward.ris@KFintech.com Website: www.kfintech.com **E-voting Service Provider** National Securities Depositories Limited (NSDL) Trade World, A Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013 Tel No: 022 4886 7000
16.	**Email Registration and Contact Updation Process**	**Demat Shareholders:** Contact respective Depository Participant **Physical Shareholders:** Please furnish Form ISR-1, Form ISR-2 and SH-13 (available on the Company's website at https://investors.larsentoubro.com/DownloadableForms.aspx) along with the necessary attachments mentioned in the said Forms to KFin Technologies Limited, Selenium Building, Tower-B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana, India - 500032. Members may also email the duly filled forms to einward.ris@kfintech.com.

Board's Report

Dear Members,

Your Directors have pleasure in presenting the 81st Integrated Annual Report and Audited Financial Statements of Larsen & Toubro Limited for the year ended March 31, 2026.

FINANCIAL RESULTS:

The Company's financial performance for the year ended March 31, 2026 is summarized below:

₹ crore

Particulars	2025-26	2024-25
Profit before depreciation, exceptional items & Tax	18,248.35	15,062.00
Less: Depreciation, amortization, impairment, and obsolescence	1,985.40	1,963.02
Profit before exceptional items and tax	16,262.95	13,098.98
Add: Exceptional items	(7,121.73)	474.78
Profit before tax	9,141.22	13,573.76
Less: Provision for tax (including tax on exceptional items)	2,854.09	2,703.04
Net profit after tax	6,287.13	10,870.72
Add: Balance brought forward from the previous year	47,883.05	41,061.19
Less: Dividend paid for the previous year	4,676.22	3,849.57
Add/(Less): Gain/(Loss) on re-measurement of the net defined benefits plans	(146.03)	(199.29)
Balance to be carried forward	49,347.93	47,883.05

The Company has not transferred any amount from profit and loss to general reserve during the above financial years.

PERFORMANCE OF THE COMPANY:

The total income, on standalone basis, for the financial year under review is ₹161,038.62 crore as against ₹148,178.22 crore for the previous financial year, registering an increase of 8.68%. The Profit before tax and exceptional items is ₹16,262.95 crore for the financial year under review as against ₹13,098.98 crore for the previous financial year. The profit after tax excluding exceptional items is ₹13,129.81 crore for the financial year under review as against ₹10,395.94 crore for the previous financial year, registering an increase of 26.30%. For more details on the performance of the Company, please refer to section on Management Discussion and Analysis.

DIVIDEND:

The Board recommends a final dividend of ₹38 per equity share of ₹2/- each on the share capital aggregating to ₹5,227.40 crore. The dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and deduction of tax at source, as required under the law. The final dividend, if approved, would be paid to members whose names appear in the Register of Members as on the record date fixed for this purpose.

The dividend payment is based upon the parameters mentioned in the Dividend Distribution Policy approved by the Board of Directors of the Company pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at https://www.larsentoubro.com/corporate-policies.

Dividend, if approved by the members, will be paid electronically pursuant to the amendment to Regulation 12 notified by the Securities and Exchange Board of India vide the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025, effective November 19, 2025. Accordingly, the Company would be unable to pay dividend through warrants and cheques.

CAPITAL & FINANCE:

During the year under review, the Company allotted 4,40,025 equity shares having face value of ₹2 each upon exercise of vested stock options by the eligible employees under the Employee Stock Option Scheme(s). Further, the Company repaid Non-convertible Debentures amounting to ₹6,000 crore as per the repayment schedule.

During the year under review your Company pioneered India's first sustainability linked bonds through issue and allotment on a private placement basis, Listed, Rated, Unsecured, Redeemable, Non-convertible Debentures (NCDs) aggregating ₹500 crore. These NCDs are listed on the Wholesale Debt Market segment of the National

Stock Exchange of India Limited. The funds raised through issuance of NCDs were utilized as per the objects stated in the General Information Document/ Key Information Document. The said NCDs are linked to the identified sustainability targets and are issued under the Framework for Environment, Social and Governance (ESG) Debt Securities (other than green debt securities) issued by SEBI.

The Company has been regular in making payments of principal and interest on the NCDs. As on March 31, 2026, the outstanding NCDs are ₹9,800 crore.

The Company has raised ₹14,600 crore by issue of Listed Commercial Papers during FY2025-26. The Company has listed its Commercial Papers on Wholesale Debt Market segment of BSE Limited. As on March 31, 2026, there are no outstanding Commercial Papers. The Company has not defaulted on payment of any dues to the financial lenders.

The Company's borrowing programs have received the highest credit ratings from CRISIL Ratings Limited, ICRA Limited, India Ratings and Research Private Limited. The Company has also received rating from global rating agency viz. S&P Global Ratings and Fitch Ratings. The details of the same are given in Annexure 'B' – Report on Corporate Governance forming part of this Board's Report and is also available on the website at https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx.

CAPITAL EXPENDITURE:

As at March 31, 2026, the gross value of property, plant and equipment, investment property and other intangible assets including leased assets, are ₹26,374.16 crore and the net value of property, plant and equipment, investment property and other intangible assets, including leased assets, are ₹13,712.47 crore. Capital Expenditure during FY2025-26 is ₹2,241.73 crore.

DEPOSITS:

During the year under review, the Company has not accepted any public deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder. The requisite return for FY2024-25 with respect to amount(s) not considered as deposits has been filed. The Company does not have any unclaimed deposits as of date.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES:

A statement containing salient features of the financial statements of subsidiary / associate/ joint venture companies and their contribution to the overall performance of the Company forms part of the Consolidated Financial Statements of the Company.

The Company has formulated a policy on identification of material subsidiaries in accordance with Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the same is hosted on the Company's website at https://www.larsentoubro.com/corporate-policies. There are no material unlisted subsidiaries of the Company.

During the year under review, the Company subscribed / acquired / sold equity / preference shares in various subsidiary / associate / joint venture companies. The details of the same are under:

A) Shares subscribed/ acquired during the year:

Name of the Company	Type of Shares	No. of shares	Value of Investment (₹ Crore)
SuFin Limited	Equity Shares	55,05,000	55.05
L&T Energy Green Tech Limited		24,70,00,000	247.00
L&T Network Servies Private Limited		70,00,000	7.00
L&T Semiconductor Technologies Limited		5,41,97,000	541.97
Business Park (Powai) Private Limited		9,85,04,370	98.50
E2E Networks Limited		8,13,750	208.09
Indian Foundation for Quality Management		1,25,00,000	12.50
L&T Offshore Marine Private Limited[1] (Formerly L&T Sapura Shipping Private Limited)		14,15,41,233	274.49

[1] During the year, the Company purchased the entire stake of Sapura Nautical Power Pte Ltd in L&T Offshore Marine Private Limited ('LTOMPL') (Formerly L&T Sapura Shipping Private Limited) for a consideration of ₹122.39 crore. Pursuant to the said transaction, LTOMPL has become a wholly owned subsidiary of the Company.

B) Transfer of businesses/subsidiaries:

I. Scheme of Arrangement between Larsen & Toubro Limited ("Transferor Company") and L&T Realty Properties Limited ("Transferee Company") and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013:

As a step towards phased consolidation of the real estate assets and undertaking, the Board at its meeting held on December 8, 2025, approved Scheme of Arrangement between the Company, L&T Realty Properties Limited, a Wholly Owned

Subsidiary, and the respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme, *inter-alia*, provides for the transfer and vesting of the Realty Undertaking of the Company into L&T Realty Properties Limited, as a going concern. This enables your Company to create a unified, future-ready real estate entity capable of capitalizing on India's real estate growth. The consolidation would position L&T Realty to lead transformation with renewed scale, agility and financial strength.

The consideration of such transfer, in accordance with Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, shall be discharged by L&T Realty Properties Limited by issuing 3,93,53,93,685 fully paid-up equity shares of the face value of ₹10 each to the Company, at a premium of ₹6 per share. The Scheme is subject to the approval of the requisite majority of the members and creditors of the respective companies and sanction by the Hon'ble National Company Law Tribunal, Mumbai Bench.

II. Transfer of SuFin business to a wholly owned subsidiary:

During the year under review, the Company executed a Business Transfer Agreement with SuFin Limited, a wholly owned subsidiary of the Company, for the transfer of its e-commerce platform business pertaining to industrial and construction goods ("SuFin Business"), on a going concern basis. The SuFin business was transferred to SuFin Limited, on April 1, 2026, for a total consideration of ₹42.9 crore (subject to post closing adjustments).

SuFin operates with a startup-like model, characterised by continuous innovation, smaller transaction sizes, and a large and diverse counterparty base. Its sales approach and employee skill requirements differ significantly from those of the Company. Accordingly, SuFin's growth potential would be best realised by operating as an independent subsidiary rather than as a division of the parent company.

III. Sale of stake in Nabha Power Limited

Keeping in view with your Company's broader strategy to exit power development business, during the year under review, L&T Power Development Limited ("LTPDL"), a wholly-owned subsidiary of the Company entered into a definitive agreement with Torrent Power Limited for the divestment of 100% of the equity share capital and convertible instruments held in Nabha Power Limited ("NPL"), for a consideration of ₹3,661 crore. The proposed transaction is subject to receipt of requisite regulatory approvals and fulfilment of customary closing conditions.

IV. Divestment of L&T Metro Rail (Hyderabad) Limited

Your Company has executed a Share Purchase Agreement on April 29, 2026, with Hyderabad Metro Rail Limited, a Government of Telangana Enterprise, to divest its entire equity stake in its subsidiary L&T Metro Rail (Hyderabad) Limited ["LTMRHL"], for a consideration of ₹1,461.47 crore. The transaction is subject to satisfaction of customary conditions and expected to get completed in FY2026-27. Upon completion, LTMRHL would cease to be a subsidiary of your Company. This is in line with your Company's broader strategic direction of exiting the development projects portfolio and redeploying capital into our core engineering and technology-led businesses, where greater opportunities for growth and value creation could be leveraged.

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

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Board places the highest emphasis on sound governance practices and on sustaining stakeholder confidence and trust. In line with this commitment and to keep adequate oversight over transactions that may involve potential conflicts of interest, the Company has a well-defined Related Party Transactions Policy (the "Policy") and guidelines, and the Audit Committee reviews and monitors the Related Party Transactions on a quarterly basis. During the year under review, the Policy was reviewed by the Audit Committee.

All Related Party Transactions entered into during FY2025-26 were in the ordinary course of business and at arm's length. The Audit Committee has reviewed the related party transactions for FY2025-26 and also approved the estimated related party transactions for FY2026-27, as

required under the law. There were no Related Party Transactions that have any conflict of interest.

Details of contracts/ arrangements/ transactions with related parties, as required to be disclosed in Form No. AOC-2 pursuant to Section 134(3)(h) read with Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, are uploaded on the Company's website at https://investors.larsentoubro.com/listing-compliance-agm.aspx.

The Related Party Transactions Policy is hosted on the Company's website at https://www.larsentoubro.com/corporate-policies.

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

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

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

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

DETAILS OF CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the recommendations of the Nomination & Remuneration Committee ("NRC"), the Board of Directors, at its meeting held on October 29, 2025, approved appointment of Mr. Amitabh Kant (DIN: 00222708) and Mr. B. Santhanam (DIN: 00494806) as Independent Directors of the Company for a term of five years with effect from October 29, 2025. Further, the Board approved the re-appointment of Ms. Preetha Reddy (DIN: 00001871) as an Independent Director for a second and final term of five years with effect from March 1, 2026. The aforesaid appointments/re-appointment were subsequently approved by the members of the Company by way of special resolutions through postal ballot on January 19, 2026.

Based on the recommendations of the NRC, the Board of Directors, at its meeting held on May 5, 2026, *inter alia*, approved the following, subject to the approval of the members:

(a) Re-appointment of Mr. Mr. Pramit Jhaveri (DIN: 00186137) as an Independent Director of the Company for a second and final term of five years with effect from April 1, 2027, to be approved by the members by means of a special resolution;

(b) Re-appointment of Mr. R. Shankar Raman (DIN: 00019798) as President & Whole-Time Director – Finance, for a period of two years from October 1, 2026 to September 30, 2028, subject to approval of the members by means of an ordinary resolution; and

(c) Appointment of Mr. Vijay Sankar (DIN: 00007875) as an Independent Director of the Company for a term of five years from May 27, 2026 to May 26, 2031, to be approved by the members by means of a special resolution.

Mr. Anil Vithal Parab and Mr. R. Shankar Raman retire by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible, have offered themselves for re-appointment.

Necessary resolutions, seeking approval of the members, in respect of the above appointments/re-appointments have been included in the Notice of the ensuing Annual General Meeting, and the Board recommends the same for approval by the members with the requisite majority.

Mr. Sanjeev Aga and Mr. Narayanan Kumar shall cease to be Independent Directors of the Company upon successful completion of their tenure on May 24, 2026 and May 26, 2026, respectively. The Board places on record its sincere appreciation for their valuable contributions during their tenure.

Based on the recommendations of the Audit Committee and the NRC, the Board had in its meeting held on May 5, 2026, approved the appointment of Mr. P. Ramakrishnan as the Chief Financial Officer of the Company with effect from July 1, 2026. Consequently, Mr. R. Shankar Raman will cease to be the Chief Financial Officer of the Company with effect from the close of business hours on June 30, 2026. The Board places on record its appreciation for the services rendered by Mr. R. Shankar Raman as the Chief Financial Officer of the Company.

The terms and conditions of appointment of the Independent Directors are in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and are placed on the website of the Company at https://investors.larsentoubro.com/disclosures-under-regulation-46-of-the-SEBI-LODR.aspx.

NRC considers the appointment and re-appointment of Independent Directors after evaluating the skills, knowledge, experience and competencies required on the Board, in line with the approved skill matrix.

The Company has also disclosed on its website at https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx the details of the familiarization programs formulated to educate the Independent Directors regarding their roles, rights and responsibilities in the Company and the nature of the industry in which the Company operates, the business model of the Company, etc.

The Board confirms that all the Independent Directors possess integrity and the requisite expertise and experience to discharge their functions effectively.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The meetings of the Board are held at regular intervals to discuss the pertinent matters with a formal schedule. This information is furnished in Annexure 'B' - Report on Corporate Governance forming part of this Report.

BOARD COMMITTEES:

The Board has constituted an Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR & Sustainability Committee and Board Risk Management Committee in terms of the requirements of the Companies Act, 2013 read with the Rules made thereunder and Regulation 18, 19, 20 and 21, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details relating to the same are furnished in Annexure 'B' - Report on Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY COMMITTEE:

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

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

A brief note regarding the composition of the CSR Committee is given in Annexure 'B' - Report on Corporate Governance.

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

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

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Nomination & Remuneration Committee (NRC) has formulated a Policy on Directors' appointment and remuneration including recommendation of remuneration of the key managerial personnel and senior management personnel, and the criteria for determining qualifications, positive attributes, and independence of a Director. Nomination and Remuneration Policy is disclosed on the Company's website at https://www.larsentoubro.com/corporate-policies.

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

DECLARATION OF INDEPENDENCE:

The Company has received declaration of Independence as stipulated under section 149(7) of the Companies Act, 2013, and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from the Independent Directors confirming that he/she is not disqualified from being appointed/re-appointed/ continue as an Independent Director of the Company as per the criteria laid down in Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same are hosted on the website of the Company at https://investors.larsentoubro.com/listing-compliance-disclosuresunderstatutes.aspx.

Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA).

In terms of Section 150 of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, and all Independent Directors of the Company are exempted from undertaking the online proficiency self-assessment test conducted by the IICA.

PERFORMANCE EVALUATION:

The Nomination and Remuneration Committee (NRC) and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees, Individual Directors and the Chairman & Managing Director has to be made.

The evaluation process includes circulation of a comprehensive questionnaire, through an external firm, to all Directors for evaluation of the Board and its Committees, Board composition and its structure, Board effectiveness, Board functioning, information availability, adequate discussions, etc. This questionnaire also includes specific criteria and the grounds on which all directors in their individual capacity would be evaluated. In addition, one on one sessions are held by an external evaluator with the Independent Directors to understand the feedback received pursuant to assessment. The Chairperson of NRC analyses the responses to the questionnaire and also considers the feedback obtained through in person discussion, to arrive at an unbiased assessment and the identified actionable areas and are discussed and acted upon.

All Directors responded through a structured questionnaire giving feedback about the performance of the Board, its Committees, Individual Directors and the Chairman & Managing Director.

As in the previous years, performance evaluation (including one on one meetings with the Independent Directors) was carried out through an external consultant, independent of management or the Company's IT systems. This enables an unbiased feedback.

The Board performance evaluation inputs, including areas of improvement for the Directors, Board processes and related issues for enhanced Board effectiveness were discussed in the meeting of the Independent Directors, Nomination & Remuneration Committee and the Board of Directors held in May 2026.

DISCLOSURE OF REMUNERATION:

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

The information in respect of remuneration of employees of the Company pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is provided in Annexure 'F' forming part of this Board's Report. In terms of and section 136(1) of the Companies Act, 2013 and the rules made thereunder, is excluded in the Report and Accounts being sent to the shareholders. Any member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms that:

a. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors have prepared the Annual Accounts on a going concern basis;

e. The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating efficiently;

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2026, the Board considers that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and there is no

material weakness. The Company has a process in place to monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps could have a material effect on the Company's operations.

DEPOSITORY SYSTEM:

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2026, 99.37% of the Company's total paid up capital representing 136,70,27,325 shares are in dematerialized form.

Pursuant to the amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities in physical form shall not be processed by the Company. In case of requests for transmission, transposition, issue of duplicate share certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, issuances of securities under consolidation of securities certificates/ folios, will be processed only in demat form except for the transfer of securities which were purchased/sold prior to April 1, 2019, whether rejected/returned due to deficiency in the documents or not, such transfer can be relodged with requisite documents during the special window provided by SEBI vide their circular no. HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026 dated January 30, 2026, from February 5, 2026 till February 4, 2027. Shareholders desirous of availing these services are requested to refer to the detailed procedure hosted on the website at https://investors.larsentoubro.com/DownloadableForms.aspx.

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

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

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

Despite efforts, ₹14.78 crore towards dividend remained unclaimed for a period of seven years, which were transferred to Investor Education and Protection Fund (IEPF) as required under Section 125 of the Companies Act, 2013 and the Rules made thereunder. Cumulatively, the amount transferred to IEPF is ₹99.97 crore as on March 31, 2026.

In accordance with the provisions of Section 124(6) of the Companies Act, 2013 and Rule 6(3)(a) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has transferred 3,41,070 equity shares of ₹2 each (0.02 % of paid-up shares) held by 1,482 shareholders (0.08 % of total shareholders) to IEPF. The said shares correspond to the dividend which had remained unclaimed for a period of seven consecutive years from FY2017-18.

However, the members can claim the said shares along with the dividend(s) by making an application to IEPF Authority in accordance with the procedure available on www.iepf.gov.in and on submission of such documents as prescribed under the IEPF Rules. The detailed procedure for claiming shares/dividend transferred to IEPF is made available on the Company's website at https://investors.larsentoubro.com/Investor-FAQ.aspx.

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

Pursuant to Section 124 of the Companies Act, 2013 the unpaid and unclaimed dividends that are due for transfer to the IEPF are disclosed in the Notice of the Annual General Meeting of the Company.

The Company Secretary & Compliance Officer of the Company is the Nodal Officer. Details of the Nodal Officer are displayed on the website at https://investors.larsentoubro.com/shareholder-services.aspx.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

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

PROTECTION OF WOMEN AT WORKPLACE:

The Company is committed to providing a safe and respectful work environment and enforces a zero-tolerance approach towards any conduct which can be considered as sexual harassment. The Company treats every employee with dignity and respect, fosters to create a workplace which is safe and free from any act of sexual harassment.

The Company has a policy on 'Protection of Women's Rights at Workplace' as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules thereunder ('POSH Act & Rules'). The Policy is applicable to all L&T establishments across globe. The Policy has been widely disseminated. The Company has constituted Internal Committees to ensure implementation and compliance with the provisions of the Act and the Rules.

This Policy encompasses following:

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

The Company has complied with the requirement of constitution of Internal Committees as stipulated under POSH Act & Rules.

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

During FY2025-26, a total of 9 complaints were received. Of these, 8 complaints were concluded as at March 31, 2026. 1 complaint has been since closed. All concluded complaints were addressed within the timelines prescribed under the POSH Act and Rules.

OTHER DISCLOSURES:

- **ESOP Disclosures:** There has been no change in the Employee Stock Option Schemes (ESOP schemes) during FY2025-26.

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

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

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

- **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:** A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Integrated Annual Report.

- **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING:** As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Report on Business Responsibility and Sustainability Reporting (BRSR) along with reasonable assurance on BRSR forms part of this Integrated Annual Report. The details of number of employees of the Company as at March 31, 2026, is disclosed in the BRSR Report.

- **INTEGRATED REPORT:** The Company is complying with the applicable requirements of Integrated Reporting Framework. The Integrated Report tracks the sustainability performance of the organization and its interconnectedness with its financial performance, showcasing how the Company is adding value to its stakeholders. The Integrated Report forms part of the Annual Report of the Company.

- **ANNUAL RETURN:** As per the provisions of Section 92(3) of the Companies Act, 2013, the Annual Return of the Company for the FY2025-26 is available on our website https://investors.larsentoubro.com/listing-compliance-agm.aspx.

- **STATUTORY COMPLIANCE:** The Company has adequate systems and processes in place to comply with all applicable laws and regulations including the CSR obligations and timely payment of taxes.

- **MSME:** The Company has registered itself on Trade Receivables Discounting System platform (TReDS) through the service providers Receivables Exchange of India Limited. The Company complies with the requirement of submitting a half yearly return (Form MSME-I) to the Ministry of Corporate Affairs within the prescribed timelines.
- **INSOLVENCY AND BANKRUPTCY CODE (IBC):** There are no proceedings admitted against the Company under the Insolvency and Bankruptcy Code, 2016.
- **KYC REGISTRATION FOR HOLDERS OF PHYSICAL SHARES:** All shareholders of the Company holding shares in physical form are requested to update their Mobile number, PAN, Address, Email ID, Bank account details (KYC details) and Nomination details with the Company's Registrar and Share Transfer Agent (RTA) at the earliest, in case the same are not updated.

  The relevant forms for updating the KYC information and Nomination details are provided on the website of the Company at https://investors.larsentoubro.com/DownloadableForms.aspx.
- **DESIGNATED PERSON FOR FURNISHING INFORMATION AND EXTENDING CO-OPERATION TO REGISTRAR OF COMPANIES (ROC) IN RESPECT OF BENEFICIAL INTEREST IN SHARES OF THE COMPANY:**

  The Company Secretary & Compliance Officer of the Company is the designated person responsible for furnishing information and extending cooperation to the ROC in respect of beneficial interest in the Company's shares.
- **REPORTING OF FRAUD:**

  The Auditors of the Company have not reported any instances of fraud committed during FY2025-26, against the Company by its officers or employees as specified under section 143(12) of the Companies Act, 2013.
- **MATERNITY BENEFITS:**

  The Company complies with the provisions of the Maternity Benefit Act, 1961, and provides maternity benefits to eligible women employees. Adequate facilities and support are provided in line with statutory requirements.

IT SECURITY BREACH & SAFETY: The Company has implemented comprehensive IT security programs supported by advanced technology and trained manpower to safeguard its employees and assets, at its offices and plant, from IT Security breaches/ cyber-attacks.

During the financial year under review, no major security breaches or incidents have occurred. A comprehensive security risk assessment is carried out regularly and adequate security measures are implemented to cater to changing security scenario. The Company has implemented adequate IT security measures and processes to protect its projects, personnel, information and assets.

VIGIL MECHANISM:

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

The Whistle Blower Policy is available on the Company's website at https://www.larsentoubro.com/corporate-policies.

For more details, refer Annexure 'B' to this Report.

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

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

CONSOLIDATED FINANCIAL STATEMENTS:

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

STATUTORY AUDITORS:

The Members at the 79th Annual General Meeting (AGM) held on July 4, 2024, appointed M S K A & Associates LLP (Firm's Registration Number 105047W/W101187) (Formerly M/s. M S K A & Associates) as the Statutory Auditors of the Company, for a consecutive term of 5 years till the conclusion of the 84th AGM of the Company.

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

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

SECRETARIAL AUDITORS:

The Members at the 80th Annual General Meeting held on June 17, 2025, appointed M/s. S. N. Ananthasubramanian & Co., Practicing Company Secretaries (Firm Registration Number: P1991MH040400) as Secretarial Auditors of the Company for a period of 5 years from FY2025-26 to FY2029-30.

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

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

AUDIT REPORTS:

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

The Secretarial Audit Report for FY2025-26 is attached as Annexure 'E' to this Report. The Secretarial Audit Report does not contain any qualification, reservation or disclaimer or adverse remarks.

COST AUDITORS:

The provisions of Section 148(1) of the Companies Act, 2013 are applicable to the Company and accordingly the Company maintains cost accounts and records in respect of the applicable products for the year ended March 31, 2026.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and as per the Companies (Cost Records and Audit) Rules, 2014 (the Rules), the Board, on the recommendation of the Audit Committee, at its meeting held on April 20, 2026, has approved the appointment of M/s R. Nanabhoy & Co., Cost Accountants, as the Cost Auditors for the Company for the financial year ending March 31, 2027, at a remuneration of ₹20 lakhs plus taxes and out of pocket expenses. They have confirmed their independent status and that they are free from any disqualifications under section 141 of the Companies Act, 2013.

A proposal for ratification of remuneration of the Cost Auditor for FY2026-27 is placed before the Shareholders for approval in the ensuing AGM and is recommended by the Board.

The Report of the Cost Auditors for the financial year ended March 31, 2026 is under finalization and shall be filed with the Ministry of Corporate Affairs within the prescribed period.

ACKNOWLEDGEMENT:

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

For and on behalf of the Board

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

May 5, 2026
Mumbai

Annexure 'A' to the Board's Report

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

[A] CONSERVATION OF ENERGY

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

(a) Upgradation of Electrical Equipment:

The Company has implemented a range of energy efficiency initiatives aimed at reducing power consumption and enhancing system performance. These include installation of energy efficient Electronically Commutated (EC) blowers and fans across chillers, furnaces, and cooling towers, implementation of thyristor-based furnace systems for plate warm rolling along with deployment of High Tension (HT) Switch Gear HT panels. In addition, high-efficiency cooling systems, including 5-star rated air conditioners and refrigerators have replaced older equipment, resulting in significant energy savings and improved operational efficiency.

(b) Motion Sensors and Automation:

Occupancy sensors and automated control systems have been integrated across office spaces and common areas to enable automatic regulation of lighting based on human presence. These measures ensure optimal energy utilization and contribute to improved operational sustainability.

(c) Natural Lighting Integration:

Translucent sheets and roofing panels have been installed in sheds, pre-engineered buildings, yards, and offices to maximise the use of daylight, thereby reducing dependence on artificial lighting during daytime operations.

(d) Process Redesign:

Strategic process improvements have been implemented to enhance energy efficiency. These include replacement of electrical pre-heating systems with induction heating, optimization of hydraulic pump operations through speed control, upgrading HVAC system from a water-based (80 TR) to air-based systems (110 TR), resulting in improved cooling efficiency.

Additional measures include incorporation of Plate Heat Exchanger bypass arrangements in HVAC systems, conversion of pincher clamping systems from pneumatic to hydraulic operation, and deployment of automated steam curing systems with digital monitoring and flow control to optimise energy usage.

(e) Variable Frequency Drives (VFD):

Variable Frequency Drives (VFDs) and Variable Voltage Variable Frequency Drives (VVVFDs) have been deployed across key equipment such as rolling machines, HT blowers, compressors, cranes, Automatic Power Factor Correction (APFC) panels, and other process systems. These enable precise motor control based on load requirements, resulting in significant energy savings and improved equipment performance.

(f) Digital Initiatives:

Advanced digital solutions have been implemented to strengthen energy monitoring and optimisation. These include inverter-based systems, data-driven methodologies such as Lean Six Sigma, and timer-based control systems for street lighting across Operation & Maintenance sites to prevent unnecessary energy consumption.

The Company has also adopted digitised fuel management systems, VFD-integrated equipment, and green energy solutions to enhance energy efficiency and support decarbonisation efforts.

(g) Improvements in Equipment Efficiency and Energy Savings:

Furnace systems have been enhanced through exhaust optimisation, improved coating, insulation upgrades and use of fuel catalysts to improve thermal efficiency.

Additional initiatives include improvements in coolant filter circulation pump systems, deployment of laser pipe cleaning machines, replacement of conventional 3-phase blowers with single-phase blowers, and substitution of conventional fans with Brushless Direct Current (BLDC) fans.

Upgradation of lighting, cooling systems, motors, welding machines and electrical systems, along with automation and daylight utilisation has further reduced energy consumption and improved operational efficiency.

(h) Fuel Consumption Reduction and Electrification:

The Company has undertaken several initiatives to reduce reliance on fossil fuels and increase the use of clean energy. These include adoption

of induction heating, deployment of solar and battery-operated vehicles and equipment, installation of solar water heaters, and replacement of diesel-based systems with solar hybrid and grid-powered solutions.

Use of alternative fuels such as compressed biogas, biodiesel, CNG and pallet burners, along with solar power generation and green energy procurement have significantly reduced emissions and supported carbon neutrality objectives.

(i) Recycling and Resource Optimization Initiatives:

Renewable energy deployment, including rooftop solar installations and solar-powered systems has increased the share of renewable electricity consumption from 0.3% in FY25 to 4.1% in FY26, reflecting improved utilisation of sustainable energy resources and reduced dependence on conventional power sources.

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

(a) Renewable energy adoption:

The Company has deployed solar-powered passenger e-carts and material handling e-carts, installed solar street lighting across office blocks, labour colonies and patrol pathways, and commissioned solar power systems of 45 kW, along with the use of Compressed Bio Gas (CBG) as a substitute for LPG, and installation of multiple rooftop solar plants (totaling 326 kWp) thereby reducing conventional energy consumption and promoting sustainable operations.

(b) Alternate fuels:

Alternate fuels and energy-efficient solutions have been piloted across projects, including use of biodiesel (~30 KL) in mobile equipment such as transit mixers, trucks, and wheel loaders.

IOCL XtraGreen fuel was piloted at the Chennai Metro Rail Limited project achieving approximately 10% improvement in fuel efficiency, with plans for wider rollout.

Fuel additives introduced in projects such as Seabird and High-Speed Rail (HSR) have demonstrated improved diesel efficiency and are being scaled up.

Portable biogas plants have been deployed at worker camps to convert food waste into biogas, reducing LPG consumption and supporting circular economy practices.

Additional measures include use of electric equipment, mobile fuel dispensing units and biodiesel substitution.

(c) Green energy:

The Company has strengthened its green energy portfolio through a Power Purchase Agreement (PPA) to procure 30 MWh of renewable power annually with solar power integration expected from July 2026.

A Memorandum of Understanding (MoU) has also been signed to develop hybrid renewable energy solutions integrating solar, wind, and battery energy storage systems (BESS) particularly for scaling data centre operations, reinforcing the Company's commitment to sustainable energy adoption.

(iii) Capital investment on energy conservation equipment:

During FY 2025–26, the Heavy Civil Infrastructure business made investments in energy-efficient infrastructure, focusing on project-specific solutions such as solar applications, LED lighting, 5-star rated appliances, Variable Frequency Drives (VFDs), translucent panels, and motion sensors. These initiatives were supported by advanced energy monitoring systems to optimize consumption and enhance overall energy efficiency across project sites.

The Heavy Engineering business incurred capital expenditure of ₹2.04 crore towards energy conservation and renewable energy.

The Energy Hydrocarbon – Onshore business invested approximately ₹1.10 crore towards deployment of solar passenger and material handling e-carts, laser pipe cleaning machines, and battery-operated trackless trolley and stack.

[B] TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

The Company has undertaken extensive technology absorption initiatives, including:

- Adoption of AI-powered vision analytics using Large Vision Models (LVM) to convert CCTV feeds into actionable insights and enabled automated site monitoring.
- Deployment of AI models tailored to defined construction activities for automated activity tracking, enabling activity detection, workforce tracking, idle time analysis, and milestone-based progress validation using visual evidence.

- Digitisation of work force tracking, and productivity measurement into a structured data-driven digital system integrated with computer vision and analytics, enabling visual evidence-based monitoring, improved productivity measurement, and more accurate decision-making.
- Development of structured web and mobile-based application to replace informal, communication-driven allocation processes, enhancing visibility, traceability, and productivity tracking. The system was designed to ensure alignment with operational needs, incorporating standardized yet flexible workflows across projects. Multi-platform enablement facilitates real-time access for all stakeholders, driving adoption and improving operational efficiency, and reflecting a shift toward technology-driven asset management practices.
- Development and adoption of advanced engineering technologies for data center cooling solutions and finger-type slug catcher systems, with enhanced capabilities in transient fluid flow simulation with conjugate heat transfer and fluid structure interaction analysis to assess fatigue life of equipment under cyclic loading conditions.
- Collaboration with academic institutions and technology partners and adoption of advanced tools and standards to strengthen engineering capabilities.
- Development of AI-based algorithms for vision processing and closed-loop control in halo traversing applications for naval ships, portable infrared heating systems for controlled pre and post-heating of steel workpieces. Also developed systems and methods for dual-spindle CNC-controlled 9-axis ring machining, enabling advanced manufacturing and process automation capabilities.
- Transition to fully hydraulic moulds with integrated software systems for improved precision and automation.
- Integration of digital platforms and advanced engineering capabilities, leveraging enterprise systems (Oracle EPPM, PRONTO, CRM, ERM) for real-time project monitoring, workflow automation, and data-driven decision-making, along with engineering digitalization tools such as web-based design applications, BIM, and Python-based optimisation models to improve design accuracy, efficiency, and cost optimization across project execution and tendering.
- Implementation of Industry 4.0 solutions including IoT, RFID, GPS-based tracking, and geospatial systems.
- Digitisation of field operations and workforce management through mobile applications, VR-based safety training, remote inspection tools (Smart Glass/MR), and facial recognition systems, improving productivity, safety, and compliance across project sites.
- Deployment of sustainability dashboards, predictive asset management systems, EV charging infrastructure, and eco-friendly HVAC systems.
- Installation of scalable app-based EV charging infrastructure with AC Type 2 and DC fast chargers to support electric mobility and reduce dependence on fossil fuels.
- Adoption of 3D Concrete Printing at job sites, integrating digital and robotics technologies, with seamless flow from BIM/3D CAD to construction and robotic layer-by-layer concrete placement without formwork.
- Construction robots for block masonry and rebar cage applications are under development, featuring automated systems for adhesive application, block placement, and precast operations with ongoing design and testing.
- In the SuFin business, Artificial Intelligence (AI) has been integrated across operational processes for catalogue digitization, invoice validation, automated customer service, and AI-powered customer engagement solutions, enhancing operational efficiency, accuracy, and customer interaction.

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

These initiatives have resulted in:

- Enhanced project visibility, accuracy, and decision-making through real-time dashboards, AI-based monitoring, automated image/video validation, enabling data-driven planning, improved workforce tracking, and early detection of delays, idle time, and resource inefficiencies, thereby reducing manual supervision, rework and cost overruns.

- Greater operational efficiency, productivity, and standardisation through scalable digital platforms.
- Enhanced visibility, control, and traceability of P&M allocation through real-time dashboards and digitized workflows, enabling optimized asset utilization, reduced coordination effort, faster decision-making, and improved productivity. The modular in-house platform further provides a scalable digital foundation for deployment across sites and asset categories.
- Enhanced self-reliance and foreign exchange savings in the process plant and refinery equipment sector through in-house development of products such as Molten Salt Bath Reactors, Vaporizers and Primary Transfer Line Exchangers, along with reduction in production cycle time, cost, and rework through advanced simulation in manufacturing and continuous improvement in existing products and technologies.
- Strengthened in-house capabilities in advanced engineering analyses (CFD, FEM, transient thermal, radiation/dispersion), along with troubleshooting and failure analysis of process equipment addressing key degradation mechanisms resulting in improved reliability, reduced external dependence, and enhanced asset life.
- Reduced dependence on manual workforce, improved productivity and reliability: Moulds have been procured and deployed across Majirgaon Palasbari to Sualkuchi Bridge (MPSB), Mira-Bhayander Dahisar Link Road Project (MDLRP), and Mumbai Versova Dahisar Project (MVDP). Enhanced accuracy and consistency in segment geometry, and strengthened quality control with reduced rework and material wastage with further benefits expected upon full commissioning.
- Improved project planning accuracy, resource optimization, and integrated scheduling through the Enterprise Project Portfolio Management (EPPM) ecosystem, resulting in enhanced productivity, better monitoring, and reduced project execution timelines, while also creating a foundational data platform for future AI-driven initiatives.
- Improved contract lifecycle and claims management through faster approvals and reduced cycle times, along with significant time and resource savings in project close-out. Deployment of drone-based tower inspection and AI vision analytics reduced inspection time per tower significantly, while enhancing safety compliance and reducing incidents.
- Improved project lifecycle management through CRM, ERM, AI-based risk tools, and risk repository enabling better tender tracking, risk identification, and mitigation planning. Enhanced engineering and execution using BIM for collaboration, visualization, 4D simulation and strengthened project monitoring through Integrated Project Management System (Oracle EPPM–EIP–Wrench) with automated progress updates and real-time dashboards. Enabled data-driven planning and improved execution timelines through the BODHI digital planning tool.
- Achieved import substitution for Next Generation Helo Harnessing and Traversing Systems, development of a portable infrared heating system enabling reduced lead time and fully automated contactless heating for complex welding set-ups, and implementation of dual-spindle CNC-controlled 9-axis ring machining, resulting in enhanced machining accuracy and reduced cycle time.
- Improved self-sufficiency in Performance Guarantee Tests of Flue Gas Desulphurisation (FGD) units across various plants.

(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.	Fully automatic hydraulic mould with integrated geometry control software for precast segment.	FY26	Fully absorbed

(iv) Expenditure incurred on Research & Development:

₹ crore

Particulars	2025-26
Capital	2.43
Recurring	175.29
Total	**177.73**
Total R&D expenditure as a percentage of total turnover	0.12%

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

₹ crore

Particulars	2025-26
Foreign Exchange earned	35,977.69
Foreign Exchange saved / deemed exports	4,088.60
Total	**40,066.29**
Foreign Exchange used	21,060.01

Annexure 'B' to the Board's Report

A. CORPORATE GOVERNANCE

Corporate Governance is a framework of principles, processes and practices that governs corporate conduct. At the core, the elements include independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Together, these elements enable an organization to operate efficiently, ethically, and responsibly, while promoting long-term value creation for all its stakeholders.

Larsen & Toubro ("L&T" or "the Company") firmly believes that robust Corporate Governance is fundamental to building and sustaining stakeholder trust. The Company consistently endeavours to align its strategic and operational objectives with well established governance principles. To this end, comprehensive systems and procedures have been instituted to ensure that the Board of Directors is adequately informed, engaged, and well equipped to effectively discharge its responsibilities. These governance mechanisms facilitate informed decision making and enable management to provide clear strategic direction for sustained value creation.

The Company has historically demonstrated a proactive approach to governance by adopting ethical, transparent, and responsible practices, often ahead of regulatory requirements. Its unwavering commitment to building and sustaining trust with shareholders, employees, customers, suppliers, and other stakeholders is deeply embedded in its governance philosophy and is reflected in the policies, processes, and practices adopted across the organization.

B. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

L&T has established its corporate governance framework on the values of transparency, integrity, professionalism and accountability, which guide its approach to governance and business conduct. Aligned with its long-term goals, the Company focuses on creating sustainable value through its operations, while contributing meaningfully to the geographies and communities it serves.

The Company is committed to the highest standards of ethical conduct, supported by robust governance practices and a culture of continuous improvement, enabling sustainable growth, prudent risk management and long-term value creation. Sustainability is integrated into business strategy, operations and supply chain to promote responsible resource utilisation and environmental and social stewardship.

Central to this governance, approach is the empowerment and holistic development of human capital, recognising employees as valued partners in the Company's entrepreneurial journey. Guided by a clear alignment between organisational culture, strategy and values, L&T seeks to achieve business excellence by fostering ethical conduct, high employee engagement and enduring stakeholder satisfaction. With a consistent focus on quality, operational excellence, and innovation, the company prioritizes delivering long-term value to its customers and business partners, while also benefiting shareholders, employees, communities, and society at large.

C. THE GOVERNANCE STRUCTURE

The Company operates under a four tier governance framework designed to clearly separate strategic oversight from execution, while enabling accountability and business agility.

The governance structure comprises:

- Board of Directors
- Executive Committee (ECom)
- Independent Company (IC) Leadership
- Business Unit (BU) teams

This structure provides:

- Strategic oversight at the Board level
- Guidance on strategy formulation and decision-making on critical issues through the Executive Committee (ECom)
- Business ownership and leadership at the IC level
- Operational execution and customer delivery at the BU level

The framework supports decentralised execution within an aligned and disciplined governance environment.

D. CONSTITUENTS OF CORPORATE GOVERNANCE

a. Board of Directors (the Board)

The Board provides strategic supervision and governance oversight of the Company. It is responsible for approving strategy, monitoring performance, ensuring robust governance and safeguarding stakeholder interests. The Board discharges its role directly and through its Committees, in accordance with applicable legal and regulatory requirements. The role of the Committees is detailed in this report.

b. Executive Committee (ECom)

ECom is the principal executive forum of the Company, responsible for strategic formulation and enterprise-level decision-making within the Board-approved framework. Operating under the strategic supervision of the Board, the ECom strengthens alignment between the ICs and the Board, enabling synergy realization and disciplined execution.

The ECom reviews and decides matters having cross-IC or group-wide impact, including:

- Major order prospects, including standalone, group and integrated offerings;
- Consolidated financial performance, including cash flows, working capital and capital structure;
- Monitoring performance against approved revenue, capital expenditure and manpower plans;
- Enterprise priorities relating to international expansion, technology and innovation, strategic partnerships, talent management and succession planning, digital transformation, brand management, ESG and enterprise risk management (including geopolitical and macro-economic developments); and
- Approval of company-wide policies, strategic plans, investments and portfolio decisions.

Best practices are shared across businesses through group wide Councils, for Quality, EHS, Technology, Supply Chain, Corporate Communications, CSR etc. which drive synergies, strategic alignment and resolution of group wide issues. Each Council is chaired by a member of the ECom.

Business-specific execution and day-to-day operational matters remain the responsibility of IC and BU leadership teams, within the strategic and governance framework reviewed by the ECom.

c. The Chairman and Managing Director

The Chairman and Managing Director ("CMD") is accountable to the Board for the overall performance, conduct and operations of the Company. The CMD provides leadership in setting overall development and strategy execution, drives operational effectiveness and business development, and plays a key role in developing leadership capability across the organisation.

The CMD facilitates the effective functioning of the Board and the ECom, and keeps the Board informed on all significant developments.

d. Executive Directors and Senior Management Personnel

The Executive Directors and Senior Management Personnel constitute the senior leadership of the Company and are responsible for driving the execution of strategy across businesses and corporate functions.

They operate within the governance and strategic framework approved by the Board and ECom, and are accountable for performance, capital discipline, talent development and risk management in their respective areas.

The profiles of the Executive Directors responsible for the businesses of the Company hosted at the Company's website at https://www.larsentoubro.com/leadership.

Senior Management Personnel comprise executives one level below the Executive Directors, including the Company Secretary. Presently, Senior Vice Presidents and Finance & Accounts Heads of ICs reporting to Executive Directors are designated as Senior Management Personnel.

During the year ended March 31, 2026, following officials were elevated/appointed and are considered as the Senior Management Personnel:

S. no.	Name	Designation	Effective Date
1.	Mr. T. Kumaresan	Senior Vice President & IC Head, Minerals & Metals IC	April 2, 2025
2.	Mr. Parthasarathi Chatterjee	Senior Vice President & IC Head, LTEH Offshore IC	April 2, 2025
3.	Mr. Subramanian Narayan	Company Secretary & Compliance Officer	May 10, 2025
4.	Mr. P. Ramakrishnan	Senior Vice President, Corporate Accounts, Taxation and Investor Relations	January 1, 2026
5.	Ms. Koneru Bhavani	Senior Vice President & Head, Heavy Civil Infrastructure Business	January 1, 2026

Mr. Arvind K. Garg, Senior Vice President & Head, Construction & Mining Machinery Business and Industrial Machinery Business, superannuated from the services of the Company and ceased to be the Senior Management Personnel of the Company w.e.f. close of business hours on July 1, 2025.

Further, Sivaram Nair A, superannuated from the services of the Company and ceased to be the Company Secretary & Compliance Officer of the Company w.e.f. close of business hours on May 9, 2025.

e. Non-Executive Directors and Independent Directors:

The Non-Executive Directors and Independent Directors play a vital role in bringing balance, objectivity and independence to the Board's deliberations and decision-making processes. Their independent judgment is particularly critical on matters relating to strategy, performance, resource allocation, standards of conduct, and safety. Through their experience and diverse perspectives, they offer constructive challenges and valuable insights, thereby enhancing the quality, rigor, and effectiveness of the Board's decisions.

The profiles and expertise of all Independent Directors/Non-executive Directors of the Company are hosted on the Company's website at https://www.larsentoubro.com/leadership.

f. Independent Company:

The Company operates under a Hybrid Holdco Structure comprising 'Independent Companies' (ICs) (which are not separate legal entities). Each IC is governed by an IC Management Leadership Team led by an Executive Director or a Senior Executive. The IC management leadership team focusses on the following:

- Implementation of Lakshya i.e. the Company's strategic plan.
- Leadership pipeline/ succession planning.
- Planning & budgeting for revenue, capital & manpower.
- Review of quarterly operational and financial performance of each BU and segment.
- Evaluation of order prospects and pipeline.
- Oversight on ESG matters and Risk assessments as necessary.
- Resolution of critical issues faced by the IC.

Business Unit (BU) teams are responsible for day to day operations, execution of approved strategies and achievement of business objectives.

E. BOARD OF DIRECTORS

a. Composition of the Board:

The Company's policy is to maintain an appropriate mix of Executive, Non-Executive and Independent Directors. As on March 31, 2026, the Board comprised the Chairman and Managing Director (CMD), five Executive Directors, one Non-Executive Director (representing Life Insurance Corporation of India) and ten Independent Directors,

including one Woman Independent Director. The composition of the Board, as on March 31, 2026, is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI LODR Regulations').

During the year under review, Mr. Amitabh Kant and Mr. B Santhanam were appointed as Independent Directors effective October 29, 2025 and Ms. Preetha Reddy has been re-appointed as an Independent Director effective March 1, 2026. Based on the recommendations of the NRC, the Board of Directors at its meeting held on May 5, 2026, approved appointment of Mr. Vijay Sankar as an Independent Director of the Company for a term of five years from May 27, 2026, subject to approval of members. Mr. Sanjeev Aga and Mr. Narayanan Kumar shall cease to be Independent Directors of the Company upon successful completion of their tenure on May 24, 2026 and May 26, 2026, respectively.

The details of change in composition of the Board are further detailed in the Board's Report.

b. Meetings of the Board:

The meetings of the Board are held at the Registered Office of the Company or at such other location as may be decided with a formal schedule of the matters to be discussed at the meetings. In case of urgent businesses are to be transacted, the meetings of the Board are also held through Video Conferencing. During the year under review, 8 meetings of the Board were held on May 8, 2025, July 29, 2025, September 30, 2025, October 29, 2025, December 8, 2025, January 28, 2026, March 24, 2026 and March 25, 2026.

The Independent Directors met on May 7, 2025 and December 8, 2025 to deliberate on the matters of significance. The discussions *inter-alia* included performance evaluation of the Board, assessment of the quality, quantity and timelines of flow of information between the management and the Board. The Independent Directors also met on May 5, 2026 to discuss the performance evaluation for FY26. They also considered and provided their recommendations on the proposed transfer of Realty Undertaking of the Company to a wholly owned subsidiary by way of slump sale through Scheme of Arrangement.

The Company Secretary in consultation with the CMD, prepares the agenda and explanatory notes for the meetings and circulates the same to the Directors well in advance. Every Director is entitled to suggest inclusion of items for the agenda. The Board meets at least once every quarter, *inter alia*, to review the quarterly and annual financial results and additional meetings are convened, whenever necessary. During the year, the meetings were conducted physically/through video conference.

Presentations on business operations and performance are made to the Board by ICs/BUs. Senior management personnel are invited to attend the meetings and provide additional insights and information on the matters under discussion, as required. The Chairperson of the respective Board Committees apprise the Board on the significant deliberations and recommendations of the Committee meetings and are noted at the Board Meetings. The minutes of Committee meetings are circulated to the Board on quarterly basis and recorded.

The minutes of the proceedings of the meetings of the Board is prepared and circulated to the Directors for their review and comments. Any comments received are duly considered and, where required, incorporated in the minutes in consultation with the CMD. The minutes are finalised, approved, and entered in the minutes book within 30 days of the conclusion of each meeting and are thereafter signed and dated by the Chairman at the subsequent Board meeting.

The following is the composition of the Board of Directors as on March 31, 2026 along with the attendance of the directors at the meetings and at the last Annual General Meeting:

Name of Director	Category	Meetings held during the year	No. of Board Meetings attended	Attendance at last AGM
Mr. S. N. Subrahmanyan	CMD	8	8	Yes
Mr. Subramanian Sarma	DMD	8	8	Yes
Mr. R. Shankar Raman	ED & CFO	8	8	Yes
Mr. S. V. Desai	ED	8	8	Yes
Mr. T. Madhava Das	ED	8	8	Yes
Mr. Anil V Parab	ED	8	8	Yes

Name of Director	Category	Meetings held during the year	No. of Board Meetings attended	Attendance at last AGM
Mr. Sanjeev Aga	ID	8	8	Yes
Mr. Narayanan Kumar	ID	8	8	Yes
Ms. Preetha Reddy	ID	8	8	Yes
Mr. Pramit Jhaveri	ID	8	8	Yes
Mr. Rajnish Kumar	ID	8	8	No
Mr. Jyoti Sagar	ID	8	8	Yes
Mr. Ajay Tyagi	ID	8	8	Yes
Mr. P. R. Ramesh	ID	8	8	Yes
Mr. Amitabh Kant[$]	ID	5	5	NA
Mr. B. Santhanam[$]	ID	5	4	NA
Mr. Siddhartha Mohanty *(refer Note 1)*	NED	8	7	Yes

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

[$] Appointed as a Director of the Company w.e.f. October 29, 2025

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

CMD - Chairman & Managing Director | DMD - Deputy Managing Director | ED - Executive Director

NED - Non-Executive Director | ID - Independent Director | ED & CFO - Executive Director and Chief Financial Officer

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

As on March 31, 2026, 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 wherein the Director holds directorships are as follows:

Name of Director	No. of other company Directorships	No. of Committee Memberships	No. of Committee Chairpersonships	Names of other Listed entities where he/she holds Directorship	Category of Directorship
Mr. S. N. Subrahmanyan	8	–	–	LTM Limited (Formerly LTIMindtree Limited)	Non-Executive Chairman
				L&T Technology Services Limited	Non-Executive Chairman
				L&T Finance Limited	Non-Executive Chairman
				L&T Metro Rail (Hyderabad) Limited	Non-Executive Chairman
Mr. R. Shankar Raman	6	2	–	LTM Limited	Non-Executive Director
				L&T Finance Limited	Non-Executive Director
Mr. Subramanian Sarma	3	–	–	None	
Mr. S. V. Desai	2	–	–	None	
Mr. T. Madhava Das	–	1	–	None	
Mr. Anil V Parab	3	–	–	None	
Mr. Sanjeev Aga	2	1	–	LTM Limited	Independent Director
				Vishal Mega Mart Limited	Non-Executive Director
Mr. Narayanan Kumar	1	1	–	L&T Technology Services Limited	Independent Director
Ms. Preetha Reddy	9	2	–	Apollo Hospitals Enterprise Limited	Whole-time Director
				IRM Energy Limited	Independent Director
Mr. Pramit Jhaveri	2	2	–	Bajaj Finance Limited	Independent Director
				Bajaj FinServ Limited	Independent Director
Mr. Rajnish Kumar	6	2	2	Ambuja Cements Limited	Independent Director
				Hero MotoCorp Limited	Independent Director
				L&T Metro Rail (Hyderabad) Limited	Independent Director
Mr. Jyoti Sagar	–	–	–	-	-

Name of Director	No. of other company Directorships	No. of Committee Memberships	No. of Committee Chairpersonships	Names of other Listed entities where he/she holds Directorship	Category of Directorship
Mr. Ajay Tyagi	4	–	2	Hyundai Motor India Limited	Independent Director
Mr. P. R. Ramesh	9	3	5	Nestle India Limited	Independent Director
				Crompton Greaves Consumer Electricals Limited	Independent Director
				Tejas Networks Limited	Independent Director
				Cipla Limited	Independent Director
				Cyient Limited	Independent Director
				ITC Hotels Limited	Independent Director
Mr. Amitabh Kant	3	1	–	InterGlobe Aviation Limited	Non-Executive Director
				HCL Technologies Limited	Independent Director
				ITC Limited	Independent Director
Mr. B. Santhanam	3	2	1	Titan Company Limited	Independent Director
Mr. Siddhartha Mohanty	1	1	–	ITC Limited	Non-Executive Director

Notes:

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

c. Information to the Board:

The Board is furnished information *inter-alia*, relating to the following:

- Safety updates;
- Annual revenue budgets and capital expenditure plans;
- Quarterly and annual results and review of operations of ICs and business segments;
- Financing plans of the Company;
- Minutes of meetings of Board, 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; and
- Compliance or Non-compliance of any regulatory, statutory nature or listing requirements and investor service such as non-payment of dividend, etc., if any.

d. Post-meeting internal communication system:

Important decisions taken at the Board/Committee meetings are communicated to the functionaries concerned promptly. The Action Taken Report is presented to the Board and discussed at the meetings at quarterly rests.

e. Board Skill Matrix:

The matrix setting out the skills/expertise/competence of the Board, as identified by the Board of Directors in the context of the Company's businesses, is given below. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is confirmed that the Board possesses the required skills defined in the matrix.

The Directors appointed to the Board of the Company are drawn from diverse backgrounds and possess special skills, competence and expertise depending on the industries/field they are associated with.

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

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

		Skill Attribute					
Sr. No.	Name of the Director	Leadership	Industry knowledge and experience	Experience and Exposure in policy shaping and industry advocacy	Governance including legal compliance	Expertise/ Experience in Finance & Accounts/ Audit /Risk Management areas	Global Experience / International Exposure
1.	Mr. S. N. Subrahmanyan	✓	✓	✓	✓	✓	✓
2.	Mr. Subramanian Sarma	✓	✓	✓	✓	×	✓
3.	Mr. R. Shankar Raman	✓	✓	✓	✓	✓	×
4.	Mr. S. V. Desai	✓	✓	×	✓	×	✓
5.	Mr. T. Madhava Das	✓	✓	×	✓	×	✓
6.	Mr. Anil V Parab	✓	✓	×	✓	×	✓
7.	Mr. Sanjeev Aga	✓	×	✓	✓	✓	×
8.	Mr. Narayanan Kumar	✓	✓	✓	✓	✓	×
9.	Ms. Preetha Reddy	✓	×	✓	✓	×	✓
10.	Mr. Pramit Jhaveri	✓	×	×	✓	✓	✓
11.	Mr. Rajnish Kumar	✓	×	✓	✓	✓	✓
12.	Mr. Jyoti Sagar	✓	×	✓	✓	×	✓
13.	Mr. Ajay Tyagi	✓	×	✓	✓	✓	✓
14.	Mr. P. R. Ramesh	✓	×	✓	✓	✓	✓
15.	Mr. Amitabh Kant	✓	✓	✓	✓	✓	✓
16.	Mr. B. Santhanam	✓	✓	✓	✓	✓	✓
17.	Mr. Siddhartha Mohanty	✓	×	✓	✓	✓	✓

Note: Absence of any skill does not necessarily mean that the Director does not possess the skill but may not form his/her core skill.

F. BOARD COMMITTEES

The Board currently has 5 Committees, viz: 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 complies 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 ended March 31, 2026 and the related attendance are provided in the subsequent sections of this report.

1) Audit Committee

The Board had a constituted Audit Committee in 1986, well before it was made mandatory by law.

i) Terms of reference:

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Discussion with Statutory Auditors, before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing, with the management, the annual financial statements and the audit report before submission to the Board for approval, with particular reference to:
    1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section (5) of section 134 of the Companies Act, 2013
    2. Changes, if any, in accounting policies and practices and reasons for the same
    3. Major accounting entries involving estimates based on the exercise of judgment by management
    4. Significant adjustments made in the financial statements arising out of audit findings
    5. Compliance with listing and other legal requirements relating to financial statements
    6. Disclosure of any related party transactions
    7. Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilisation of proceeds of public or rights issue or preferential issue or Qualified Institutional Placement, and making appropriate recommendations to the Board to take up steps in this matter, if any.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors about any significant findings and follow up there on.

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate, if any.
- The recommendation for appointment, remuneration and terms of appointment of secretarial auditors of the Company.
- The recommendation for appointment, remuneration and terms of appointment of cost auditors of the Company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Review the management discussion and analysis of financial condition and results of operations.
- Approval or any subsequent material modification and ratification of transactions of the Company with Related Parties.
- Reviewing the utilization of loans and/ or advances from / investment in the subsidiary companies exceeding ₹ 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.
- Act as the TCWG and ensure compliance with matters thereto.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Consider and comment on rationale, cost benefit and impact of Schemes involving mergers, demerger, amalgamation, etc on the entity and its shareholders.

A structured and documented communication framework between Those Charged with Governance (TCWG) and the Statutory Auditors facilitates timely, open, and constructive engagement throughout the audit cycle, enabling effective oversight of audit quality, auditor independence, significant accounting judgments, internal control matters, and regulatory compliance. The Company remains committed to ethical conduct, robust disclosure practices, and continuous strengthening of governance processes in line with applicable laws and evolving best practices. Towards this, the Audit Committee has been designated as TCWG and the Chairman of the Audit Committee is the Nodal Person to facilitate two way communication between the Statutory Auditors and the Board and the Audit Committee.

Apart from the quarterly meetings convened for review of the financial results, the Audit Committee meets additionally, as required, to deliberate on matters of governance and oversight. These include internal audit findings, internal audit plan, statutory audit plan, treasury framework, material notices from Vendors, Compliances on with SEBI (Prohibition of Insider Trading) Regulations, 2015, major litigations, related party transactions, cost audit matters. The Audit Committee also reviews and approves the engagement of the Statutory Auditors for permitted non audit services proposed to be availed by the Company or its subsidiaries, ensuring that such services are in compliance with applicable regulations and do not impair auditor independence.

ii) Composition:

As on March 31, 2026, the Audit Committee comprised of three Independent Directors.

iii) Meetings:

During the year ended March 31, 2026, 8 meetings of the Audit Committee were held on April 22, 2025, May 7, 2025, July 28, 2025, August 25, 2025, October 28, 2025, December 8, 2025, January 27, 2026 and February 27, 2026.The attendance of Members at the Meetings was as follows:

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

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

The President, 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 services team consisting of Chartered Accountants, Certified Internal Auditors, Certified Information System Auditors and Engineers from various disciplines. Over the period, the Corporate Audit Services department ("CAS") has acquired in-depth knowledge about the Company, its businesses, its systems & procedures, the knowledge of which is now institutionalized. The Head of CAS reports to the Audit Committee. The employees 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 covers thematic audits to have in-depth and detailed review of the theme selected, which is incorporated in the overall audit programme and also performs certain audits using services of external audit firms. In addition, selected engineers from different businesses, identified with potential to assume leadership positions, are deputed to CAS, for identified period, to enable them to have a broader perspective about various aspects of different businesses of L&T. The Company being predominantly project-oriented, CAS emphasizes a risk-based focus areas in project audits. It encourages its team members to obtain globally renowned Certified Information Systems Auditor (CISA), Certified Internal Auditor (CIA) and Certified Fraud Examiner (CFE) Certification, etc., which will enhance the capabilities. Every year, CAS reviews the Audit Universe which is an exhaustive list of businesses, functions, activities and locations across the Company.

The CAS team also covers the internal audit of all ICs and unlisted subsidiary companies. The observations are highlighted and discussed with the concerned IC Leadership and / or subsidiary company Board and key audit observations are also placed before the Audit Committee on quarterly basis. Internal Audits of select subsidiaries have been outsourced to external audit firms.

2) Nomination & Remuneration Committee (NRC)

The NRC was constituted in 1999 even before it was mandated by law.

i) Terms of reference:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
- Recommend to the Board appointment and removal of such persons or extension of term of Independent Directors;
- Formulate criteria for determining qualifications, positive attributes and independence of a director;
- Devise a policy on Board diversity;
- Formulation of criteria for evaluation of Directors, Board Chairman & MD and the Board Committees;
- Carry out evaluation of the Board and Directors;

- Recommend to the Board a policy, relating to remuneration for the Directors, Key Managerial Personnel (KMP) and senior management;
- Administration of Employee Stock Option Schemes (ESOS).

ii) Composition:

As at March 31, 2026, the Committee comprised 3 Independent Directors and the Chairman and Managing Director, as its members.

iii) Meetings:

During the year ended March 31, 2026, 5 meetings of the NRC were held on May 8, 2025, July 29, 2025, October 29, 2025, January 28, 2026 and March 24, 2026. The attendance of Members at the meetings was as follows:

Name	Status	No. of meetings held during the year	No. of Meetings Attended
Mr. Narayanan Kumar	Chairman	5	5
Mr. Pramit Jhaveri	Member	5	5
Ms. Preetha Reddy	Member	5	5
Mr. S. N. Subrahmanyan	Member	5	5

iv) Board Membership Criteria:

The NRC, while identifying, screening, selecting and recommending candidates for appointment to the Board, ensures a high degree of objectivity, absence of any 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. The Committee also places strong emphasis on the candidate's commitment to ethical standards and values of the Company.

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

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

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

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

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

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

The role, responsibilities and duties of Independent Directors are set out in the letter of appointment issued to them. Copy of the proforma letter of appointment issued to Independent Directors is available on the Company's website at https://investors.larsentoubro.com/disclosures-under-regulation-46-of-the-SEBI-LODR.aspx.

v) Remuneration Policy:

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

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

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

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

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

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

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

vi) Performance Evaluation Criteria for Independent Directors:

Performance Evaluation of the Board involves directors undertaking a critical review as a collective body, identifying the Board's strengths and weaknesses and is initiated towards the enhancement of the Board's performance. The assessment is carried out annually by means of a structured questionnaire.

The performance evaluation questionnaire, *inter alia*, covers qualitative and subjective parameters relating to the Board's structure, culture, and processes, including Board composition and selection, effectiveness of the Board and its Committees, strategic decision making, functioning of the Board and Committees, Committee composition, adequacy and timeliness of information flow, remuneration framework, succession planning, participation and engagement of Directors, and assessment of independence. The questionnaire also contains specific criteria for the evaluation of the Chairman and Managing Director and individual Directors. An external consultant is engaged to receive the responses from the Directors and to consolidate and analyse the evaluation outcomes. In addition, the external agency conducts in person, one on one interviews with the Independent Directors to obtain qualitative insights and deepen the evaluation process.

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

Key suggestions made by the Directors as part of the exercise of FY25 included board process enhancements for increased Board effectiveness. The Company has taken necessary actions on the suggestions given by the Board viz. Board visits were arranged at major sites of the Company during FY 2025-26, strategic sessions were part of the Board meetings and operations of the select business units of the Company were reviewed with the Board.

Members are also requested to refer the Board Report.

vii) Training & Succession Planning:

The Company places significant emphasis on the continuous growth of its workforce. It is committed to developing internal talent and capable leaders. To achieve this, the Company has established robust processes for creating and sustaining a leadership and talent pipeline through Development Centres (DC), its Leadership Development initiatives, and Talent Review Process. The process for identifying and nurturing high-potential employees through DC is designed to assess and groom future business leaders and the Technology Leadership Program (TLP) focuses on employees in specialized technical domains such as engineering design, construction methods, plant & machinery, precast and formwork. In FY26, over 2,000 employees were assessed through DC, and Individual Development Plan (IDP)s were prepared to map their personalized growth journeys. The Nomination & Remuneration Committee and the Board discusses matters relating to succession planning of Directors and senior officials of the Company. For more details on training and succession planning, please refer to the Human Capital section of the Integrated Report.

viii) Details of remuneration paid / payable to Directors for the year ended March 31, 2026:

(a) Executive Directors:

The details of remuneration paid / payable to the Executive Directors for FY 2025-26 is as follows:

₹ crore

Sr. No.	Names	Salary	Perquisites other than ESOP	Perquisites related to ESOP*	Retirement Benefits	Commission	Total
1.	Mr. S. N. Subrahmanyan	4.32	3.63	16.72	21.36	74.80	120.84
2.	Mr. R. Shankar Raman	2.55	2.29	–	11.00	38.19	54.03
3.	Mr. Anil Parab	1.23	0.69	–	5.21	18.07	25.20
4.	Mr. Subramanian Sarma	2.40	1.89	–	11.45	39.99	55.73
5.	S. V. Desai	1.47	1.33	4.78	7.24	25.34	40.15
6.	T. Madhava Das	1.47	1.32	–	7.15	25.01	34.96
	Total	**13.44**	**11.15**	**21.50**	**63.41**	**221.40**	**330.91**

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

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

(b) Non-Executive Directors:

The details of remuneration paid / payable to the Non-Executive Directors for FY26 is as follows:

₹ crore

Sr. No.	Names	Sitting Fees for Board Meeting	Sitting Fees for Committee Meetings	Commission	Total
1.	Mr. Sanjeev Aga	0.08	0.09	0.80	0.97
2.	Mr. Narayanan Kumar	0.08	0.04	0.71	0.83
3.	Ms. Preetha Reddy	0.08	0.04	0.56	0.68
4.	Mr. Pramit Jhaveri	0.08	0.06	0.67	0.81
5.	Mr. Rajnish Kumar	0.08	0.08	0.74	0.90
6.	Mr. Jyoti Sagar	0.08	0.01	0.49	0.58
7.	Mr. Ajay Tyagi	0.08	0.02	0.55	0.65
8.	Mr. P. R. Ramesh	0.08	0.06	0.89	1.03
9.	Mr. Amitabh Kant[@]	0.05	–	0.25	0.30
10	Mr. B. Santhanam[@]	0.04	–	0.20	0.24
11.	Mr. Siddhartha Mohanty	0.07	0.01	0.40	0.48
	Total	**0.80**	**0.41**	**6.26**	**7.47**

[@] Appointed as a Director of the Company with effect from October 29, 2025.

Details of shares of the Company held by the Directors and Key Managerial Personnel, as on March 31, 2026, are as follows:

Sr. No.	Name	No. of Shares	Shareholding Percentage
1.	Mr. S. N. Subrahmanyan	3,35,584	0.02
2.	Mr. R. Shankar Raman	2,96,616	0.02
3.	Mr. Subramanian Sarma	2,09,053	0.02
4.	Mr. S. V. Desai	45,810	0.00
5.	Mr. T. Madhava Das	16,265	0.00
6.	Mr. Anil V. Parab	1,11,040	0.01
7.	Mr. Sanjeev Aga	–	0.00
8.	Mr. Narayanan Kumar	1,500	0.00
9.	Ms. Preetha Reddy	180	0.00
10.	Mr. Pramit Jhaveri	20,550	0.00
11.	Mr. Rajnish Kumar	100	0.00
12.	Mr. Jyoti Sagar	100	0.00

Sr. No.	Name	No. of Shares	Shareholding Percentage
13.	Mr. Ajay Tyagi	100	0.00
14.	Mr. P. R. Ramesh	100	0.00
15.	Mr. Amitabh Kant	–	0.00
16.	Mr. B. Santhanam	–	0.00
17.	Mr. Siddhartha Mohanty	–	0.00
18.	Mr. Subramanian Narayan	–	0.00
	Total	**10,36,998**	**0.07**

3) Stakeholders' Relationship Committee:

i) Terms of reference:

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

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

ii) Composition:

As on March 31, 2026, the Stakeholders' Relationship Committee comprised of three members being one Independent Director, one Non-Executive Director and one Executive Director.

iii) Meetings:

During the year ended March 31, 2026, 4 meetings of the Stakeholders' Relationship Committee were held on April 24, 2025, August 12, 2025, November 18, 2025 and February 17, 2026. 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. Rajnish Kumar	Chairman	4	4
Mr. Siddhartha Mohanty	Member	4	3
Mr. T Madhava Das	Member	4	4

Mr. Subramanian Narayan, Company Secretary is the Compliance Officer of the Company.

iv) Number of Requests / Complaints:

The Company accords paramount importance to the timely and effective redressal of investor grievances and to maintaining transparent, proactive, and meaningful engagement with its investors, to enhance investor confidence and uphold the highest standards of corporate governance

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

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

Particulars	Opening Balance	Received	Resolved	Pending*
Complaints:				
received from SEBI / Stock Exchanges/ Smart ODR	9	387	355	41
received from Shareholders	–	60	60	–
Total	**9**	**447**	**415**	**41**

* Investor complaints shown outstanding as on March 31, 2026 have been subsequently resolved to the complete satisfaction of the investors.

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 (CSRS):

i) Terms of reference:

While L&T's Corporate Social Responsibility is guided by its core philosophy of nation building and inclusive growth, with a focused approach towards creating sustainable social impact, the sustainability initiatives are firmly embedded in its corporate strategy and governance framework, reflecting the Company's commitment to long term value creation for all stakeholders. L&T integrates Environmental, Social, and Governance (ESG) considerations across its operations, with a strong focus on climate action, resource efficiency, occupational health and safety, ethical business conduct, and inclusive growth. Key priorities include decarbonisation, water stewardship, responsible sourcing, and biodiversity conservation, alongside initiatives aimed at workforce development, community upliftment, and social infrastructure development. The Company's CSR programmes primarily address key areas such as education, skill development, water and sanitation, and health, with particular emphasis on empowering underprivileged and vulnerable communities.

CSRS Committee is formed to provide focused oversight, strategic direction and effective monitoring of CSR and Sustainability initiatives in alignment with the Policies of the Company and the statutory requirements. The Committee also reviews the Business Responsibility and Sustainability Report of the Company.

The terms of reference of the Committee are as follows:

A. Corporate Social Responsibility:

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

ii. Provide guidance for the development of annual CSR Action Plan

iii. Recommend the CSR annual budget to the Board for approval

iv. Monitor the implementation of the CSR Action Plan of the Company from time to time; and

v. Identify and recommend to the Board the CSR projects that will qualify to be ongoing projects

B. Sustainability:

i. Formulate and recommend to the Board a Sustainability Policy and suggest any changes thereto

ii. Provide guidance for the development of the long-term Sustainability Plan; and

iii. Monitor the implementation of the Sustainability Plan of the Company from time to time

ii) Composition:

As on March 31, 2026, the CSRS Committee comprised of 4 members being 2 Independent Directors and 2 Executive Directors.

iii) Meetings:

During the year ended March 31, 2026, 4 meetings of the CSRS Committee were held on May 21, 2025, September 1, 2025, November 28, 2025 and March 12, 2026.

The attendance of Members at the Meetings was as follows:

Name	Status	No. of meetings eligible to attend during the year	No. of Meetings Attended
Mr. Ajay Tyagi	Chairman	4	4
Mr. R. Shankar Raman	Member	4	4
Mr. S. V. Desai	Member	4	3
Mr. Jyoti Sagar	Member	4	3

iv) CSR Activities & Impact Assessment:

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

The Company's CSR programmes are well-entrenched, focusing on areas that align with the global and national matrices of development: water & sanitation, health, education and skill-building.

The Company is leveraging its countrywide presence to reduce disparities through interventions in Water 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 carried out CSR programs in the following areas based on the need assessment:

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

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

The detailed disclosures of CSR spending during the year have been given in **Annexure 'C'** forming part of this Board Report.

5) Board Risk Management Committee:

L&T has an enterprise wide risk management framework designed to identify, assess, monitor, and mitigate risks that may impact the achievement of its strategic and operational objectives. The Company follows a structured and integrated approach to risk management encompassing strategic, operational, financial, regulatory, and sustainability related risks, with clearly defined ownership and accountability. Oversight of the enterprise risk management framework is provided by the Board level Risk Management Committee, which assists the Board in reviewing key risk exposures, mitigation strategies, and emerging risks. In addition, an Apex Risk Management Committee comprising Executive Directors oversees operational risks at the Company and Group levels, including risks relating to client quality, manpower availability, logistics, and other factors affecting business performance.

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.

ii) Composition:

As on 31st March 2026, the Board Risk Management Committee comprised of 3 members being 2 Independent Directors and 1 Executive Director.

iii) Meetings:

During the year ended March 31, 2026, 4 meetings of the Board Risk Management Committee were held on April 25, 2025, August 22, 2025, November 17, 2025 and February 20, 2026. 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. Sanjeev Aga	Chairman	4	4
Mr. Pramit Jhaveri	Member	4	4
Mr. Subramanian Sarma	Member	4	3

G. OTHER INFORMATION

a) Directors' Familiarization Program:

The Company believes that it is essential for the Directors to clearly understand the expectations from their role and to be equipped with the requisite skills, information, and knowledge to enable informed and effective decision making. A well structured and continuous orientation programme enables Directors to leverage their full potential, contribute meaningfully to the collective functioning of the Board. The Director orientation programme commences at the time of appointment and continues throughout the Director's tenure. Upon appointment, Directors are provided with a joining kit comprising, inter alia, profiles of fellow Directors and senior management, the Board calendar and other relevant materials. These resources are also made available on a secure electronic platform for reference throughout the Director's tenure. New Directors are additionally familiarized with the Company's history, organizational structure, business offerings, Board culture and processes, and their duties, responsibilities, and liabilities. In addition, the Directors are also oriented through physical visits to factories and facilities to provide a practical insight into the shop floor operations.

The orientation process is ongoing and includes periodic updates on the Company's business segments and market units, changes in the competitive landscape, enterprise risk management, regulatory developments, and compliance requirements. Directors are encouraged to engage with senior leadership and provide guidance on select focus areas, facilitating specialised orientation where required. The Company also conducts five years Lakshya strategy and annual Board strategy meetings covering, inter alia, the Company's strategy, industry dynamics, and investor and customer perspectives, thereby enhancing the Directors' understanding of the business, governance framework, and stakeholder expectations. 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.

Further, Independent Directors are issued formal letters of appointment outlining their roles, duties, and responsibilities, the format of which is hosted on the Company's website. During the year, Independent Directors were familiarised with the Company's business models, industry trends, leadership development initiatives, and compliance framework. As of March 31, 2026, the average time spent by each Director on familiarization programmes was approximately 31 hours, with the cumulative time exceeding 100 hours.

This information is also available on the website of the Company https://investors.larsentoubro.com/disclosures-under-regulation-46-of-the-SEBI-LODR.aspx

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

The Company has a robust governance framework to ensure timely, accurate, and transparent disclosures to the stock exchanges in compliance with applicable regulations. All price sensitive information and statutory disclosures are reviewed through defined controls and approved by authorised officials before dissemination, ensuring consistency, credibility, and regulatory compliance. The Company has a policy for determination of materiality of events or information for disclosure to the stock exchanges. The policy has clearly defined guidelines and materiality thresholds in accordance with provisions of law for determination of materiality certain events or transaction or information with respect to the Company, its Subsidiaries and Associate Companies. The Company has also implemented an online tool to assist its employees to report potential material event/information to authorised key managerial personnel. The Policy is available on the Company's website at https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/.

c) Vigil Mechanism / Whistle Blower Policy:

The Company has a Whistle Blower Policy in place since April 2004. The said policy was modified in line with the requirements of the Vigil Mechanism under the Companies Act, 2013 and subsequently in 2018 to include reporting of instances of leakage of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) Amendment Regulations 2018. The mechanism enables Directors, employees, and stakeholders to report genuine concerns, unethical behaviour, or violations of the Company's policies in a confidential manner. The mechanism provides adequate safeguards against victimisation and is overseen by the Audit Committee, ensuring independence, transparency, and effective resolution of reported matters.

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 a further course of action which will include requesting the complainant to provide further details, internal investigation by the CAS department, investigation by external agencies, wherever necessary, opportunity to the defendant to present his/her case, etc. Based on the findings of the investigation, the Corporate Audit Services takes the approval of WBIC for the action recommended by them to be taken.

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

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

The Audit Committee is periodically briefed about the various cases received, the status of the investigation, findings and action taken, if any and

a comprehensive update is provided semi-annually which is presented and discussed at the Audit Committee Meeting. During the year, no person has been declined access to the Audit Committee, wherever desired.

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

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

d) Statutory Auditors:

For FY 2025-26, the total fees paid by the Company and its subsidiaries, on a consolidated basis , to M S K A & Associates LLP, Statutory Auditors and all entities in the network firm/ network entity of which the statutory auditors are a part thereof for all the services provided by them is ₹10.1 crore.

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 Board Members and Senior Management.

S. N. Subrahmanyan
Chairman & Managing Director

May 5, 2026
Mumbai

f) General Body Meetings

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

Financial Year	Date	Venue	Time
2024-25	June 17, 2025	Meeting was held through Video Conferencing / Other Audio-Visual Means	3:00 p.m.
2023-24	July 4, 2024	Meeting was held through Video Conferencing / Other Audio-Visual Means	3:00 p.m.
2022-23	August 9, 2023	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai – 400 020 and virtually at www.evoting.nsdl.com	3.00 p.m.

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

Annual General Meeting held on July 4, 2024:

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

g) Resolution(s) passed through Postal Ballot:

There was a Postal Ballot conducted by the Company during FY26, wherein all the resolutions were passed with requisite majority of votes. Details of the Resolutions passed through postal ballot dated December 8, 2025 during FY26 are given below. The results of the post ballot were declared on January 19, 2026.

Description of the resolution	Voting Pattern	
	Votes in favour	Votes against
Appointment of Mr. Amitabh Kant (DIN: 00222708) as an Independent Director of the Company for a term of 5 years from October 29, 2025 (Special Resolution)	99.65%	0.35%
Appointment of Mr. B. Santhanam (DIN: 00494806) as an Independent Director of the Company for a term of 5 years from October 29, 2025 (Special Resolution)	99.70%	0.30%
Re-appointment of Ms. Preetha Reddy (DIN: 00001871) as an Independent Director of the Company for a term of 5 years effective March 1, 2026 (Special Resolution)	92.25%	7.75%
Approval for entering into material Related Party Transaction(s) with L&T-MHI Power Boilers Private Limited (Ordinary Resolution)	99.99%	0.01%

Description of the resolution	Voting Pattern	
	Votes in favour	Votes against
Approval for entering into material Related Party Transaction(s) with L&T-MHI Power Turbine Generators Private Limited (Ordinary Resolution)	99.99%	0.01%
Approval for entering into material Related Party Transaction(s) with Larsen Toubro Arabia LLC (Ordinary Resolution)	99.99%	0.01%
Approval for Entering into Material Related Party Transaction with L&T Modular Fabrication Yard LLC (Ordinary Resolution)	99.99%	0.01%

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

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 financial statements as required under IND AS 24 and the same are provided in Notes to the financial statements.
3. The Company has complied with all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 in the preparation of its Financial Statements.
4. The Company makes presentations to Institutional Investors and Equity Analysts on its performance on a quarterly basis. These presentations are submitted to the Stock Exchanges and are also available on our website https://investors.larsentoubro.com/Analyst-Presentation-Archives.aspx
5. There were no instances of non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges in matters related to the capital markets, during the last three years except as stated 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 a proposal of fund raising was approved. The Company has paid the said fines.
6. The policies for determining material subsidiaries and transactions are available on the Company's website https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/.
7. Details of Company's risk management including foreign exchange risk, commodity price risk and hedging activities, forms part of the Management Discussion & Analysis.
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 compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Board Report.
10. The Company has not provided any loans or advances in the nature of loans to firms/companies in which directors are interested.
11. The Company has not entered into any agreements with its related parties, directors, key managerial personnel, employees, employees of the subsidiary or associate company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the Company or impose any restriction or create any liability upon the Company.

i) Means of communication

Financial Results and other Communications	Quarterly & Annual Results are published in prominent daily newspapers viz. The Financial Express, Hindu Business Line , Free Press Journal & Loksatta. The results are also made available on the Company's website: www.larsentoubro.com. Advertisements relating to IEPF, E-Voting, AGM related compliances, etc. are published in The Financial Express, & Loksatta.
News Releases	Official news releases that carry material information as per the Company's policy for determination of materiality of events or information, are promptly submitted to the stock exchanges and are also displayed on the Company's website: www.larsentoubro.com.
Website	The Company's corporate website www.larsentoubro.com provides comprehensive information about its portfolio of businesses. The "Investors" section of the website serves to inform and service the Shareholders enabling them to access relevant 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 financial statements of the Company and its subsidiaries are available on the website in downloadable formats.
Filing with Stock Exchanges	Information required to be submitted to Stock Exchanges is being filed electronically on NEAPS for NSE, BSE Online for BSE and RNS for London Stock Exchange.
Annual Report and Annual General Meeting	Annual Report is circulated to all the members and other stakeholders including the auditors, equity analysts, etc. To enable a larger participation of shareholders for the Annual General Meeting, the Company has provided Webcast facility at its last three Annual General Meetings in co-ordination with NSDL/KFin Technologies. This year the Company will be conducting the Annual General Meeting through Audio Visual Means, as permitted by Ministry of Corporate Affairs. The Annual Report is e-mailed to all members who have registered their email ids with the Company and to those shareholders who request for the same. The Annual Report would also be made available on the website of the Company. The Chairman and MD suitably respond to the queries raised by the shareholders during the AGM. A Letter containing the web link of the Integrated Annual report for the FY 2025-26 will be sent to those shareholders whose email addresses are not registered.
SEBI Complaints Redress System (SCORES)/ Online Dispute Resolution (ODR) Portal:	Investor complaints are processed by SEBI through its centralized web-based complaints redress system. The salient features of this system include a centralised database of all complaints, online submission 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 a timely basis in respect to the complaints received through SCORES platform. In case any investor is still not satisfied with the outcome of the resolution through SCORES, they can initiate dispute resolution through the ODR Portal, as prescribed by SEBI. The ODR Portal has the necessary features and facilities to, inter alia, investor enrolment for filing of complaint/dispute. Your Company has completed the necessary enrolment on the ODR Portal of the stock exchanges in compliance with applicable provisions.
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 issues. However certain shares resulting out of the Bonus shares issued by the Company are unclaimed by the shareholders. As required under Regulation 39(4) of the SEBI LODR Regulations, the Company has already sent reminders to the shareholders to claim these shares. These shares are released upon requests received from the eligible shareholders after due verification.

In accordance with the provisions of the section 124(6) of the Companies Act, 2013 and Rule 6(3)(a) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the Company has transferred to IEPF, equity shares on which dividend has remained unclaimed for a period of seven consecutive years up to the financial year 2017-18. The details are given in the Board 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 submit 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. Subramanian Narayan, Company Secretary & Compliance Officer has been appointed as the Nodal officer of the Company.

The Investor Education and Protection Fund Authority (IEPFA), under India's Ministry of Corporate Affairs (MCA), had requested companies to carry out a special outreach campaign "Saksham Niveshak" from July 28, 2025, to November 6, 2025, and from April 1, 2026 to July 9, 2026 to reach out to shareholders whose dividend remain unpaid/unclaimed.

The objective of this campaign is to proactively encourage investors to claim their rightful dividends and update KYC details (PAN, Bank details, Nomination) well before the funds and the underlying shares are transferred to the IEPF account.

The Company demonstrated its commitment to shareholder engagement and transparency through various means such as Participation through RTA in 'Saksham Niveshak' campaign, reaching out to shareholders for claiming dividends, and payment of past unclaimed dividend for updated bank mandates.

I. GENERAL SHAREHOLDERS' INFORMATION

a) Annual General Meeting

The Annual General Meeting of the Company has been convened on Friday, June 5, 2026 at 3:00 pm (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"). Members can attend the AGM virtually through www.evoting.nsdl.com.

b) Financial calendar

1. Annual Results of 2025-26	May 5, 2026
2. Mailing of Annual Reports	by May 14, 2026
3. First Quarter Results	During the last week of July 2026*
4. Annual General Meeting	June 5, 2026
5. Payment of Dividend	On or before June 10, 2026*
6. Second Quarter results	During last week of October 2026*
7. Third Quarter results	During last week of January 2027*

* Tentative

c) Record Date

The Record date to determine the members entitled to the dividend for FY26 is Friday, May 22, 2026.

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

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

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

e) Listing Fees to Stock Exchanges

The Listing fees for the year 2026-27 to BSE, NSE have been paid in April 2026. The fees to London Stock Exchange has been paid in March 2026. The fees to and Luxembourg Stock Exchange shall be paid on receipt of their invoice.

f) Custodial Fees to Depositories

The fees to National Securities Depository Limited (NSDL) and 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 2025-26

Month	L&T BSE Price (₹)			BSE SENSEX		
	High	Low	Close	High	Low	Close
April 2025	3,500.35	2,967.65	3340.55	80,661.31	71,425.01	80,242.24
May 2025	3,695.55	3,284.60	3675.75	82,718.14	78,968.34	81,451.01
June 2025	3,730.00	3,486.60	3668.55	84,099.53	80,354.59	83,606.46
July 2025	3,685.00	3,405.30	3635.65	83,935.01	80,575.45	81,185.58
August 2025	3,727.00	3,526.65	3599.85	82,231.17	79,741.76	79,809.65
September 2025	3,794.70	3,484.10	3658.8	83,141.21	79,818.38	80,267.62
October 2025	4,062.50	3,614.80	4031.2	85,290.06	80,159.90	83,938.71
November 2025	4,139.00	3,831.75	4068.5	86,055.86	82,670.95	85,706.67
December 2025	4,109.00	3,948.05	4083.1	86,159.02	84,150.19	85,220.60
January 2026	4,194.70	3,721.00	3933.45	85,883.50	81,088.59	82,269.78
February 2026	4,440.00	3,759.65	4280.55	85,871.73	79,899.42	81,287.19
March 2026	4,142.30	3,288.65	3504.3	80,632.55	71,774.13	71,947.55

Month	L&T NSE Price (₹)			NIFTY		
	High	Low	Close	High	Low	Close
April 2025	3,501.60	2,965.30	3,341.00	24,457.65	21,743.65	24,334.20
May 2025	3,695.30	3,284.10	3,675.10	25,116.25	23,935.75	24,750.70
June 2025	3,731.40	3,485.90	3,669.80	25,669.35	24,473.00	25,517.05
July 2025	3,685.30	3,405.10	3,636.50	25,608.10	24,598.60	24,768.35
August 2025	3,727.90	3,531.00	3,601.00	25,153.65	24,337.50	24,426.85
September 2025	3,794.90	3,516.40	3,659.00	25,448.55	24,432.70	24,611.10
October 2025	4,062.60	3,615.00	4,030.90	26,104.20	24,605.95	25,722.10
November 2025	4,140.00	3,831.10	4,069.60	26,310.45	25,318.45	26,202.95
December 2025	4,114.00	3,949.10	4,083.50	26,325.80	25,693.25	26,129.60
January 2026	4,195.00	3,720.10	3,932.30	26,373.20	24,919.80	25,320.65
February 2026	4,440.00	3,756.00	4,278.30	26,341.20	24,571.75	25,178.65
March 2026	4,141.00	3,288.10	3,504.10	24,989.35	22,283.85	22,331.4

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. In case of 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, issuances of securities under consolidation of securities certificates/folios, will be processed only in demat form except for the transfer of securities which were purchased/sold prior to April 1, 2019, whether rejected/returned due to deficiency in documents or not, such transfer can be relodged with requisite documents during the special window provided by SEBI vide their circular no. HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026 dated January 30, 2026, from February 5, 2026 till February 4, 2027. Shareholders desirous of availing these services are requested to refer to the detailed procedure hosted on the website at https://investors.larsentoubro.com/DownloadableForms.aspx

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

k) Distribution of Shareholding as on March 31, 2026

No. of Shares	Shareholders		Shareholding	
	Number	%	Number	%
upto 500	17,06,847	94.76	9,38,01,282	6.82
501 – 1000	46,506	2.58	3,38,22,842	2.46
1001 – 2000	25,657	1.42	3,58,46,074	2.61
2001 – 3000	8,658	0.48	2,11,83,405	1.54
3001 – 4000	3,855	0.21	1,33,60,361	0.97
4001 – 5000	2,330	0.13	1,04,74,628	0.76
5001 – 10000	4,028	0.22	2,79,53,493	2.03
10001 and above	3,373	0.19	113,91,90,105	82.81
Total	**18,01,254**	**100.00**	**137,56,32,190**	**100.00**

l) Categories of Shareholders is as under

Category	31.03.2026		31.03.2025	
	No. of Shares	%	No. of Shares	%
Financial Institutions	19,88,97,611	14.46	21,24,90,650	15.45
Foreign Institutional Investors	25,56,55,493	18.58	26,91,74,120	19.57
Shares underlying GDRs	1,44,89,280	1.05	1,56,44,404	1.14
Mutual Funds	27,90,56,228	20.29	27,11,21,158	19.72
Bodies Corporate & Qualified Institutional Buyers	7,06,67,920	5.14	9,85,23,938	7.16
Directors & Relatives	11,34,111	0.08	10,89,114	0.08
L&T Employees Trust	19,86,79,507	14.44	19,48,87,516	14.17
Others	35,70,52,040	25.96	31,22,61,265	22.71
Total	**1,37,56,32,190**	**100.00**	**1,37,51,92,165**	**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, 2026 is as under:

Particulars	No. of shares	% of total capital issued
Held in dematerialized form in NSDL	128,03,97,625	93.07
Held in dematerialized form in CDSL	8,66,29,700	6.30
Physical	86,04,865	0.63
Total	**137,56,32,190**	**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, on private placement, are listed on the Wholesale Debt Market (WDM) of National Stock Exchange of India Limited.

p) Listing of Commercial Paper

The Commercial Papers issued by the Company are listed on wholesale debt market segment of BSE Limited.

q) Debenture Trustees

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 and India Ratings and Research Private Limited during FY26. There has been no revision in credit ratings during FY26. The ratings given by these agencies are as follows:

Rating Agency	Type of Instrument	Rating
CRISIL Limited	Non-Convertible Debentures	'CRISIL AAA/Stable'
	Bank Loan Facilities	'CRISIL AAA/Stable'
	Commercial Paper	'CRISIL A1+'
ICRA Limited	Commercial Paper	'[ICRA] A1+'
India Ratings and Research Private Limited	Non-Convertible Debentures	'IND AAA/ Stable'
	Commercial Papers	'IND A1+'
Fitch Ratings	Long-Term Foreign and Local-Currency Issuer Default Ratings (IDRs)	BBB+ with stable outlook
S&P Global Ratings	Long-term issuer credit rating	BBB+ with stable outlook

s) Plant Locations

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

t) Address for correspondence

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

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

KFin Technologies Limited
Unit: Larsen & Toubro Limited
Selenium Tower B, Plot 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad, Telengana - 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

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.

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 (Prohibition of Insider Trading) Regulations, 2015/ Code. Pursuant to the amendments of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has suitably modified the provisions of the Code which are effective from July 28, 2025. The Company during the year in collaboration with The National Stock Exchange of India Limited conducted three training sessions in Mumbai, Chennai and Vadodara for Designated Employees of the on compliances with SEBI (Prohibition of Insider Trading) Regulations, 2015.

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

w) Stakeholders Engagement

The Company recognizes that its stakeholders represent a diverse and heterogeneous community. Customers, shareholders, employees, suppliers, community, etc. serve as guideposts of our decision-making process. The Company engages with its identified stakeholders on an ongoing basis through combination of business level interaction and structured stakeholder engagement programmes. The Company remains committed to creating long-term value for all its stakeholders, with particular emphasis on supporting disadvantaged and vulnerable communities.

To facilitate continuous and transparent dialogue with stakeholders, the Company has established a dedicated Corporate Brand Management & Communications Department which oversees stakeholders communication and engagement initiatives across the organisation. The communication channels include:

- For external stakeholders – the engagement and communication mechanism include, Stakeholder engagement sessions, client satisfaction surveys, shareholder satisfaction assessment, analyst / investors meet, periodic feedback mechanism, general meeting for shareholders, online service and dedicated e-mail service for grievances, corporate website, etc.
- For internal stakeholders – the engagement platforms include, 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 business vertical have their internal mechanisms to address the grievances of its stakeholders in an effective manner. In addition, at the corporate level, there are designated 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 hosted on the website of the Company https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/.

Further details on the initiatives undertaken by the Company to engage with its stakeholders are provided under Relationship Capital section of the Integrated Report and in the disclosure under Principle 4 of the Business Responsibility and Sustainability Reporting.

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 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.

Further details on supplier/ contractor management are provided under Relationship Capital section of the Integrated Report.

y) Awareness Sessions / Workshops on Governance practices

Employees across the Company as well as the group are regularly sensitized to the Company's policies, governance framework and ethical practices. To strength the governance framework and promote ethical practice, the Company conducts an in-house training workshops on Corporate Governance through external faculty. These programmes cover the fundamentals of Corporate Governance as well as key internal policies and statutory requirements, including but not limited to the Code of Conduct, Whistle Blower Policy, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

To further enhance learning accessibility and consistency, the Company has established a scalable, multi-featured and externally integrated digital learning platform known as **ATLNext**. It offers a wide range of online courses including competency based, behavioral training, and business-specific technical programmes, to name a few. ALTNext also includes courses on Governance, where employees gain insights into Governance practices of the Company, followed by a self-assessment test after completion of the course.

In addition, the Company has developed a pool of trained internal trainers across its various businesses. These trainers conduct regular training and awareness sessions within their respective businesses, ensuring continuous dissemination of governance-related knowledge and reinforcing a strong culture of ethics and compliance across the organization.

z) Anti-bribery and Anti-corruption policy (ABAC)

The Company has adopted the Anti-Bribery and Anti-Corruption (ABAC) Policy which serves as a guiding framework for ensuring compliance with applicable anti bribery and anti corruption laws, regulations, and prescribed standards of ethical conduct. The Policy sets out the expected standards of behaviour and integrity to be adhered to by the Company and all its officials in the conduct of business.

ABAC Policy is applicable to all employees of the Company working at all levels and is widely disseminated throughout the organisation. The Policy is available on the Company's website at https://www.larsentoubro.com/corporate/about-lt-group/corporate-policies/.

aa) ISO 9001:2015 Certification:

The Company's Secretarial Department which provides secretarial, compliance and investor-related services for the Company as well as its Subsidiaries and Associates is ISO 9001:2015 certified. This certification reflects the Company's commitment to maintaining robust, standardized, and quality-driven processes in the delivery of secretarial and compliance services, ensuring consistency, efficiency, and adherence to applicable regulatory requirements.

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 quarterly Reconciliation of Share Capital Audit and the corresponding report is submitted to the Stock Exchanges. The audit confirms that the reconciliation of the total listed and paid up share capital is in agreement with the aggregate number of equity shares held in dematerialized form and in physical form.

The Secretarial Department at Mumbai is manned by competent and experienced professionals and plays a critical role in ensuring robust governance and regulatory compliance. The Company has instituted a system to review and audit its secretarial and other statutory compliances by competent professionals. Based on such reviews, appropriate corrective and improvement measures are implemented to continuously enhance the quality and effectiveness of compliance processes.

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 assesses adherence to corporate governance practices by the Company.

Pursuant to the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 and as per the NSE and BSE circulars dated March 16, 2023, the Company has obtained an annual secretarial compliance report from M/s. S. N. Ananthasubramanian & Co., Company Secretaries. The said report is submitted to the Stock Exchanges within the prescribed timelines, confirming the Company's compliance with applicable SEBI regulations and circulars during the reporting period.

dd) Statutory Compliance System

The Company has established robust systems and processes to ensure compliance with all applicable laws, rules, and regulations, including relevant Central and State Acts and Rules applicable to the businesses carried on by the Company. The comprehensive list of applicable laws is periodically reviewed and validated by an external consultant, in coordination with the functions of each business.

Each Independent Company (IC) / Business Unit (BU) Head provides a quarterly certification confirming compliance with all applicable laws and regulations pertaining to their respective IC/BU. Based on these confirmations, the Company Secretary places a consolidated Compliance Certificate before the Board of Directors. In addition, the Company verifies compliance through random reviews of processes, systems, and supporting documentation across business and corporate functions.

To strengthen oversight and enable continuous monitoring, the Company has implemented a web based compliance management system known as the "**iCompliance Portal**". This portal facilitates organisation wide tracking of regulatory compliance performance and enables the identification, monitoring, and remediation of non conformities. The iCompliance Portal also serves as a central repository for maintaining an up to date register of applicable laws and detailed compliance checklists, which are systematically monitored to ensure timely and effective compliance.

The Company also engages external consultants for preparation and periodic review of compliance checklists, particularly for new geographies, and for updating existing compliance requirements in line with regulatory changes. Compliance obligations are mapped within the iCompliance Portal to designated process owners, who are responsible for regularly updating the compliance status along with appropriate documentary evidence.

Further, identified key stakeholders across functions actively monitor, ensure adherence to, and confirm ongoing compliance with the provisions of applicable laws, thereby reinforcing a strong culture of regulatory discipline and accountability across the organisation.

ee) Material Subsidiary

LTM Limited ("LTM") and L&T Finance Limited ("LTF") are material subsidiaries of the Company as per the SEBI Listing Regulations. LTM was incorporated on December 23, 1996 in Mumbai and LTF was incorporated on May 1, 2008, in Mumbai. M/s. Deloitte Haskins & Sells Chartered Accountants LLP is the Statutory Auditors of LTM, was appointed on July 14, 2022. M/s T R Chadha & Co LLP and M/s Brahmayya & Co are the Statutory Auditors of LTF M/s T R Chadha & Co LLP and M/s Brahmayya & Co were appointed on June 25, 2024 as Joint Statutory Auditors of LTF.

ff) Group Governance Policy

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

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

The Company has three equity listed entities (the "**Listed Subsidiaries**") within the group. Each of the Listed Subsidiaries have their own Board and Board Committees in compliance with the Companies Act, 2013 and SEBI LODR Regulations. The oversight of their subsidiaries is as per Companies Act, 2013 and SEBI LODR Regulations. The Board Report and its annexures of the Listed

Subsidiaries contains various disclosures dealing with subsidiary companies.

All the Listed Subsidiaries have at least one Executive Director of the Company and L&T Technologies Services Limited have two Independent Director of the Company and LTM Limited (formerly LTIMindtree Limited) have one Independent Director of the Company on its Board. Any financial assistance to the above companies or purchase/sale by the Company of their shares, is dealt with by the Company's Board.

These Listed Subsidiaries publish their Independent Auditor's certificate on Corporate Governance, Secretarial Audit Report issued by a 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.

The Company's Corporate Team is responsible for overseeing statutory compliance (including corporate laws), risk management, internal controls, and internal audit functions across all unlisted subsidiaries. In the case of listed subsidiaries, these responsibilities are managed by dedicated in house teams, ensuring independent oversight and compliance in line with applicable regulatory requirements.

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

The unlisted subsidiary companies function independently and have distinct Boards which consists of representatives of the Company, being senior executives of the Company, representatives of Joint Venture partners, where applicable, representative of the Company's Board and Independent Directors as required. As mandated under law, such subsidiary companies, wherever required, have duly constituted Audit Committee, Nomination & Remuneration Committee, CSR Committee, Stakeholders' Relationship Committee and Risk Management Committee as well.

Certain unlisted subsidiaries have Executive Directors of the Company on their Boards. 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 at the Group level either directly or through their respective IC's.

In addition, voluntary Secretarial Audit is undertaken for all subsidiary companies, including foreign companies and companies not covered under the purview of Companies Act, 2013, thereby ensuring an independent assessment of compliance with applicable statutory provisions and robust governance practices.

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

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

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

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

Auditor's Certificate on Corporate Governance

CORPORATE GOVERNANCE CERTIFICATE

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

1. Background

We have been engaged by Larsen & Toubro Limited ("the Company"), to examine the compliance with the conditions of Corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as amended from time to time, for the financial year ended on March 31, 2026.

2. Management's Responsibility

The Compliance of conditions of Corporate Governance stipulated in the Listing Regulations is the responsibility of the management of the Company. The management shall devise adequate systems, internal controls and processes to monitor and ensure compliance of the same.

3. Our Responsibility

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. Methodology

4.1. In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.

4.2. Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Company to monitor and ensure compliance with the conditions of Corporate Governance and to certify thereon.

5. Opinion

Based on our examination as aforesaid, the information, explanations and representations provided by the management and subject to the observation reported as under, we certify that, the Company has complied with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations, for the Financial Year ended March 31, 2026.

6. Disclaimer

6.1. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

6.2. This report 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 **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: F004206H000277347

Place: Thane
Date: May 5, 2026

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

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

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

BACKGROUND

1. This Certificate is issued in accordance with the terms of our engagement dated June 23, 2025.

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, 2026, the Employees Stock Option Schemes viz. 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, (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, 2026, 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 the Regulations and the ICSI Auditing Standards, issued by the Institute of Companies Secretaries of India.

VERIFICATION

6. We have verified the following:

   (a) the Schemes;

   (b) the Resolutions;

   (c) Note on Accounting Treatment followed by the Company.

CERTIFICATION

7. Based on our verification of the records and documents maintained by the Company as aforesaid and according to the information, explanations and written representations provided to us, we certify that the Company has complied with the applicable provisions of the Regulations and the Resolutions in implementing the Schemes during the year ended March 31, 2026.

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 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: F004206H000277226

Place: Thane
Date: May 5, 2026

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 2025-26** and **Financial Year 2026-27** 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 in 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, 2026**, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
1)	Mr. Sekharipuram Narayanan Subrahmanyan	02255382	01-07-2011	–
2)	Mr. Subramanian Sarma	00554221	19-08-2015	–
3)	Mr. Ramamurthi Shankar Raman	00019798	01-10-2011	–
4)	Mr. Sudhindra Vasantrao Desai	07648203	11-07-2020	–
5)	Mr. Tharayil Madhava Das	08586766	11-07-2020	–
6)	Mr. Anil Vithal Parab	06913351	05-08-2022	–
7)	Mr. Sanjeev Aga	00022065	25-05-2016	–
8)	Mr. Narayanan Kumar	00007848	27-05-2016	–
9)	Ms. Preetha Reddy	00001871	01-03-2021	–
10)	Mr. Pramit Jhaveri	00186137	01-04-2022	–
11)	Mr Rajnish Kumar	05328267	10-05-2023	–
12)	Mr. Jyoti Sagar	00060455	10-05-2023	–
13)	Mr Ajay Tyagi	00187429	31-10-2023	–

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
14)	Mr. P.R. Ramesh	01915274	31-10-2023	–
15)	Mr. Amitabh Kant	00222708	29-10-2025	–
16)	Mr. B Santhanam	00494806	29-10-2025	–
17)	Mr. Siddhartha Mohanty	08058830	28-05-2024	–

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

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the Financial Year ended March 31, 2026.

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: F004206H000277028

Place: Thane
Date: May 5, 2026

CEO & CFO CERTIFICATE

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, 2026 and that to the best of our knowledge and belief, we state that:

1. (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

   (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditor and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

4. We have indicated to the Auditor and the Audit Committee:

   (i) that there were no significant changes in internal controls over financial reporting during the year;

   (ii) that there were no significant changes in accounting policies made during the year; and

   (iii) that there were no instances of significant fraud of which we have become aware.

Yours sincerely,

R. Shankar Raman
President, Wholetime Director & CFO
DIN: 00019798

S. N. Subrahmanyan
Chairman & Managing Director
DIN: 02255382

May 5, 2026
Mumbai

Annexure 'C' to the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED MARCH 31, 2026

1. Brief outline on CSR Policy of the Company

L&T strives to promote initiatives that enhance the quality of life for communities to achieve inclusive growth through empowerment and work towards social equity. CSR at L&T has been 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 '**Building India's Social Infrastructure**' as part of its CSR programme will include, amongst others, the following areas, viz.

Water & Sanitation – includes 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 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 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. Impetus was provided to improve health awareness and promote health seeking behaviour in communities.

Skill Development – includes vocational training such as skill building, computer training, women empowerment, support to ITI's, support to specially abled (infrastructure support & vocational training), Construction Skills Training Centres and providing employability skills to women and youth.

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

Governance, Technology, and Innovation are the Key enabling 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. Ajay Tyagi	Chairman (Independent Director)	4	4
2	Mr. R. Shankar Raman	Member (Whole-time Director)	4	4
3	Mr. S. V. Desai	Member (Whole-time Director)	4	3
4	Mr. Jyoti Sagar	Member (Independent Director)	4	3

Mr. Subramanian Narayan, Company Secretary & Compliance Officer of the Company, acts as the Secretary of the Committee.

3. Web-link where Composition of CSR committee, CSR Policy and CSR Annual Action Plan for FY26 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 FY26 approved by the Board are available in the Corporate Governance section on the website of the Company at the following links:

Composition of CSR Committee - https://investors.larsentoubro.com/governance-architecture.aspx

CSR Policy - Corporate Social Responsibility (CSR) Policy Framework | L&T

CSR Annual Action Plan for FY26 CSR Annual Action Plan | L&T

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

Thirty four CSR projects which were implemented in FY24, qualified for impact assessment in FY26. Accordingly, the assessment of the aforesaid projects was carried out by SGS India Private Limited during FY26:

Executive Summary

India continues to face persistent gaps in access to quality healthcare, equitable education, safe water and sanitation, and sustainable livelihood opportunities, particularly among underserved and vulnerable populations. Structural challenges such as inadequate infrastructure, limited institutional capacity, and socio-economic barriers further constrain inclusive development outcomes. In this context, the CSR initiatives of Larsen & Toubro (L&T) are strategically aligned to address these multidimensional challenges through targeted interventions across Health, Education, Water and Sanitation, and Skilling. The portfolio is designed to bridge critical service delivery and infrastructural gaps, improve human development outcomes, and enable long-term socio-economic resilience within communities.

L&T's CSR program spans a wide range of initiatives implemented across diverse geographies serving a broad spectrum of beneficiaries including children, youth, women from marginalized communities. The assessed projects have reached across 19 states in India, through a mix of direct service delivery, capacity building, and infrastructure support. Interventions span rural and urban contexts, with a focus on high-need and underserved regions. The scale and diversity of projects reflect a balanced approach between depth (intensive engagement in select areas) and breadth (wide geographic outreach).

OECD-DAC framework was used to evaluate the Project's Relevance, Coherence, Effectiveness, Efficiency, Impact and Sustainability. Projects were assessed based on alignment with community needs and priorities, last-mile delivery and achievement of intended outcomes, efficiency of resource utilization and implementation models, and observable changes in beneficiary well-being and service access, along with the extent of community participation, ownership, and continuity of interventions beyond project support. A mixed-method approach was adopted, combining primary and secondary data collection. It also covered a mix of on-ground and remotely evaluated projects, ensuring representation across themes and geographies.

Below are the key findings synthesized across the four broad thematic areas:

Education

L&T's interventions have played a critical role in addressing deep-rooted infrastructural and learning gaps in schools, particularly in rural and underserved regions where limited facilities constrain both access to and quality of education. Many supported schools, while functional, were operating under severe infrastructure deficits such as inadequate classrooms and desks, lack of functional toilets, fans, boundary walls, and limited access to digital learning resources, which hindered effective learning and contributed to low attendance and higher dropout risks.

Through a responsive approach, L&T's regional teams actively reviewed and supported proposals received from schools, the organization has demonstrated a strong commitment to need-based interventions. Across multiple locations in India, L&T has supported the development and upgradation of core school infrastructure, including classrooms, sanitation facilities, fencing, libraries, computer labs, kitchens, and inclusive infrastructure for children with disabilities. These efforts have enabled a more secure, accessible, and engaging learning environment, contributing to improved school functionality.

School stakeholders, including teachers and headmasters, consistently reported increased student attendance, reduced dropout rates, and smoother academic functioning. Nearly all headmasters expressed strong appreciation for L&T's support and indicated a continued need for similar interventions.

In addition to infrastructure, L&T has addressed systemic learning gaps among children from marginalized communities, particularly in foundational literacy and numeracy. Through partnerships with organizations such as Pratham and Prayas Trust, community-based remedial learning programs were implemented through after-school support classes located within accessible distances, often within 1 km as reported by the beneficiaries. These interventions have resulted in significant improvements in foundational learning, with students demonstrating enhanced reading and writing skills and improved ability to engage with formal school curricula.

L&T's interventions also extend to early childhood development, in areas with limited or inadequate anganwadi access. Through strengthening anganwadis and establishing balwadis, children were provided with safe and stimulating early learning environments. With a focus on nutrition and cognitive development, these centers have contributed to improved nourishment, increased activity levels, and enhanced learning readiness. Children attending balwadis were observed to be more engaged, demonstrating better grasp of basic concepts and active participation in structured learning. These initiatives have also generated livelihood opportunities for local educators and balwadi workers.

A key strength of the interventions has been the integration of parents and caregivers into the learning ecosystem. Mothers were sensitized through awareness sessions on early childhood development and trained in simple at-home learning practices. Nearly all participating mothers reported actively engaging with their children's development post-intervention, indicating a shift in household-level involvement.

Further, L&T has supported STEM-based initiatives to promote application-oriented learning in 200+ schools. These interventions have enhanced analytical thinking, problem-solving, creativity, and design thinking among students. Learners demonstrated increased awareness of real-life challenges and the ability to develop practical solutions. Student-led innovations, such as smart piggy banks, smart desks, mosquito-repellent nets, and app-based solutions, reflect a shift towards active, solution-oriented learning.

At the institutional level, teachers and school leadership acknowledged the positive outcomes, particularly in fostering innovation and aligning with government expectations. However, teachers, often managing multiple responsibilities, perceived the integration of such activities as challenging, highlighting the need for better alignment with school systems and academic calendars.

Despite the positive outcomes, certain challenges persist. A key gap is the need for stronger parental awareness and sustained engagement in children's learning. Limited parental understanding of continued educational support affects engagement with remedial and advanced learning initiatives. Furthermore, while residential and bridge education initiatives have enabled out-of-school children to transition into formal schooling, the follow-up and tracking mechanisms need to be strengthened. Strengthening community engagement, parental awareness, and follow-up systems will be critical to enhancing long-term impact.

Beneficiary Outreach: 2.5 lakhs +

Foundational Learning Outcomes: 95% of students reporting enhancement in reading and writing skills through remedial classes, enabling better engagement with formal school curricula.

Jyoti STEM Learning: 90% students reported increased interest in Science and Mathematics for higher education and future careers post STEM activities.

Digital Literacy & Confidence: 93% students reported increase in confidence in using computers and technology after the establishment of computer labs.

Health

L&T's health portfolio demonstrates a highly targeted and impact-driven approach to addressing critical healthcare access and affordability gaps across underserved geographies. Spanning 11 states and multiple delivery models including hospitals, dialysis centres, and mobile health units, the interventions are strategically designed to serve economically vulnerable, rural, and last-mile populations at scale.

A key differentiator of the portfolio is its strong alignment with ground-level needs. Across all assessed facilities, 100% of sites reported pre-existing systemic gaps, ranging from lack of essential medical equipment and emergency transport to limited diagnostic capacity and overburdened public infrastructure. Beneficiary behaviour further reinforces this need, with a large proportion previously dependent on strained public systems or unaffordable private care, underscoring both access and financial barriers.

The interventions have translated into consistent improvements in healthcare delivery and access. Beneficiaries report high satisfaction with service quality, improved availability of diagnostics, and enhanced continuity of care. Mobile Health Units have been particularly effective in bridging last-mile access gaps, while dialysis and chronic care services have enabled sustained treatment pathways for vulnerable populations, reducing fragmentation in care delivery.

From an outcome standpoint, the portfolio delivers strong, measurable impact across both health and financial dimensions. A weighted 92% individual beneficiaries reported improved health conditions, alongside 87.5% reporting reduced out-of-pocket expenditure, indicating a dual impact on clinical outcomes and financial protection. In high-burden cases such as dialysis, beneficiaries report substantial cost savings of up to ₹35,000 per month, significantly reducing economic vulnerability.

Beyond direct service delivery, the interventions contribute to improved health awareness, preventive care adoption, and enhanced quality of life, enabling beneficiaries to return to daily activities and livelihoods with greater stability. Importantly, the interventions reflect early signs of systemic strengthening and sustainability through alignment with government schemes such as Ayushman Bharat, NABH-accredited facilities, and integration with frontline health networks. These linkages enhance the scalability, continuity, and institutional anchoring of interventions.

While overall performance remains strong, there is meaningful scope to further amplify impact through strengthening the consumables supply chain for laboratory testing kits and diagnostic materials at Olpad Community Health Centre, Surat, and by enhancing the visibility and accessibility of the Health and Dialysis Centre, Surat, which given its relatively peripheral location, holds strong potential to extend its reach to a significantly wider community catchment.

Beneficiary Outreach: 6.88 lakh+ beneficiaries reached across hospitals, dialysis centres, and mobile health units, improving access to essential healthcare services for underserved and economically vulnerable populations.

Health Improvement: 92% individual beneficiaries reported improvement in health conditions through better access to quality care, continuity in treatment, and strengthened primary and chronic healthcare services.

Financial Relief: 87.5% of beneficiaries reported reduced out-of-pocket healthcare expenses, with significant cost savings from subsidised services and reduced dependence on private healthcare providers.

Water and Sanitation

L&T's Water and Sanitation programme, anchored by the Unnati Integrated Community Development Programme (ICDP) and a range of standalone interventions, demonstrates a comprehensive and multi-programmatic approach to addressing critical gaps in sanitation, water access, hygiene behaviour, and watershed management across diverse geographies. Delivered through scalable CSR programming, the Unnati ICDP enables broad-based community transformation spanning rural, peri-urban, and urban contexts, integrating Water and Sanitation outcomes within a wider development framework that encompasses soil and water conservation, rural livelihoods, women's empowerment through institutional participation, and linkages to health and education.

A key strength lies in the strong alignment with ground-level needs and scale of delivery, particularly in school sanitation. L&T has implemented toilet construction interventions across multiple government schools spanning several states, addressing critical barriers to student health, attendance, and dignity. At the community level, baseline conditions further reinforce this need, with 90% of households practised open defecation prior to the intervention, indicating that support has been directed toward high-need, underserved populations. From an outcome perspective, the interventions demonstrate strong impact across health, gender, and social dimensions. A weighted 93.8% targeted beneficiaries of the Unnati ICDP achieved Open Defecation Free (ODF) status while 100% households which received sanitation units are using them and are ODF.

Soil and water conservation activities under the Unnati ICDP have strengthened agricultural resilience and rural livelihoods across programme villages, while women's participation in community institutions such as Water User Groups and Village Development Committees reflects meaningful progress on governance and social inclusion. These interventions have delivered sustained, effective outcomes supported by behaviour change at the household and community level.

86.5% of women and girls reported improved Menstrual Hygiene Management, contributing to enhanced dignity, safety, and school participation. School-based interventions further drove improvements in attendance and enrolment, indicating broader institutional impact.

The interventions also reflect important environmental sub-themes. Water-focused efforts such as the Groundwater Recharge Systems (GWRS) installed across schools and community sites in Surat have improved water availability and quality in stressed regions, providing communities and students with access to clean, non-saline water where reliable supply was previously absent. Waste management initiatives have further enabled community-led models supporting long-term continuity and accountability. Importantly, these interventions demonstrate strong early signs of sustainability across all sub-themes, with over 93% of beneficiaries confirming proper maintenance of Water and Sanitation facilities, and community institutions such as School Management Committees and community leadership mechanisms supporting long-term continuity and accountability.

Targeted investments in water supply reliability, measurement systems, and scale of implementation can further enhance long-term impact and strengthen outcome visibility across water and waste management interventions.

Beneficiary Outreach: 4.21 lakh+ beneficiaries reached across sanitation, water, hygiene, and waste management interventions, improving access to essential Water and Sanitation services for underserved communities.

ODF & Behavourial Change: 93.8% of beneficiaries reported improvement in health conditions through better access to quality care, continuity in treatment, and strengthened primary and chronic healthcare services.

Menstrual Hygiene Outcomes: 86.5% of women and girls reported improved menstrual hygiene management, enabling safer practices and supporting dignity, health, and participation in daily activities.

Skilling

L&T's skilling portfolio responds to a deep structural challenge in India's development landscape, the limited transition of rural and underserved youth from low educational attainment and livelihood insecurity into stable, market-linked work. In construction and allied trades, this transition is particularly demanding, since employability rests not only on access to training, but on practical competence, safety readiness, placement support, and sustained labour-market absorption. In that sense, the portfolio sits squarely within the contemporary skilling discourse, which increasingly understands impact not as training delivery alone, but as the successful movement from skill acquisition to skill activation, employment relevance, and livelihood continuity.

L&T has built a multifarious skilling architecture through projects like Skills Development Training for Rural Youth in Panvel, Pilkhuwa, Kanchipuram, Odisha across Cuttack and Mayurbhanj, Serampore, Jadcherla, Bengaluru, Gujarat, along with the Multi Skill Training initiatives in Visakhapatnam and Madh, encompassing construction trades, women-focused livelihood training, employability-oriented multi-skilling, and trainer capacity development. Across the directly implemented skilling projects, the portfolio reported outreach to 14,036 beneficiaries.

From assessed CSTI beneficiaries, it was found that the intervention is not limited to training delivery but is creating labour-market relevant capability.

Livelihood outcomes were also notable, with 73% assessed CSTI beneficiaries found to be employed or self-employed at the time of assessment and 74% reporting an increase in household income after training. Post-training earnings typically ranged from ₹15,000 to ₹18,000 per month, while as per the interaction with CSTI principals a smaller number of high-performing trainees were reported to progress into Front Line Supervisor (FLS) roles within the L&T ecosystem, where earnings can reach around ₹30,000-40,000 per month.

A key strength of the portfolio lies in its differentiated skilling models. Multi Skill Training Centre at Vishakhapatnam, Andhra Pradesh appears particularly strong in converting training into employment and income improvement, while Skill Training initiatives for rural women and youth in Gujarat reflects a more localised pathway centred on women's confidence, skill application, and livelihood readiness through trades such as tailoring, beautician training, and computer skills. Field based interactions and online assessments also suggest that several CSTIs operate as more than stand-alone training centres, combining technical instruction with accommodation, safety input, digital learning, and post-placement support. This indicates that L&T's skilling portfolio is not only expanding outreach but building a more complete employability ecosystem in which training quality, transition support, and livelihood outcomes are being addressed together.

Beneficiary Outreach: 37,000+ beneficiaries reached across direct skilling projects, including CSTIs, women and youth livelihood training, multi-skill employability training, and trainer capability development.

Training Relevance: 95% of assessed CSTI beneficiaries reported that training was useful for work, with 91% linking it to market demand and 99% to local employment opportunities.

Livelihood Activation: 73% of assessed CSTI beneficiaries were employed or self-employed at the time of assessment, while 87% of assessed beneficiaries under Multi Skill Training Centre at Visakhapatnam, Andhra Pradesh had transitioned into employment or self-employment.

Income Improvement: 74% of assessed CSTI beneficiaries reported household income increase after training, while 95% of assessed beneficiaries under Multi Skill Training Centre at Visakhapatnam, Andhra Pradesh reported improved household income.

Looking ahead, the assessment suggests that L&T's skilling portfolio is well positioned to deepen impact by strengthening the last mile of employability and retention. While training relevance, skill gains, and early livelihood activation are strong, the next phase should focus on improving continuity from training to sustained work. This includes strengthening women's participation in construction-linked trades, building more systematic post-placement tracking, and sharpening outcome measurement for the digital learning platform. Greater attention to downstream job conditions, accommodation, and worksite support will also be important for improving retention in construction-linked roles.

At the same time, differentiated models such as Multi Skill Training Centre at Visakhapatnam, Andhra Pradesh, Skill Training initiatives for rural women and youth in Gujarat, and Skill Training Academy, Madh show that the portfolio can address employability, local livelihood readiness, and institutional capacity through distinct but complementary pathways. The strategic opportunity now is to consolidate these strengths into a more integrated skilling ecosystem that combines training quality, stronger tracking, and longer-term livelihood sustainability.

Way Forward

The assessment highlights that L&T's CSR initiatives have created meaningful and visible impact across communities, improving access to essential services, strengthening learning outcomes, enhancing health and hygiene practices, and enabling livelihood opportunities for beneficiaries. These interventions have contributed to improved quality of life and increased resilience among underserved populations.

Building on this strong foundation, continued support and sustained engagement by L&T will be key to further deepening these outcomes, expanding outreach, and ensuring long-term, inclusive development across communities.

			₹ Crore
5.	(a)	Average net profit of the company as per sub-section (5) of section 135.	8,789.5
	(b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	175.79
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
	(d)	Amount required to be set-off for the financial year, if any.	11.70
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	164.09

			₹ Crore
6.	(a)	Amount spent on CSR Projects (other than Ongoing Project).	180.45
	(b)	Amount spent in Administrative Overheads.	9.03
	(c)	Amount spent on Impact Assessment, if applicable.	0.37
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	189.85

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
	NIL			NIL	

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

Sl. No	Particulars	Amount (in ₹ crore)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	175.79
(ii)	Total amount spent for the Financial Year	201.55 [1]
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	25.76
(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)]	25.76

[1] This amount includes an excess spend of ₹11.70 crore incurred in FY 2024–25.

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

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub- section (6) of Section 135 (in ₹ crore)	Balance Amount in Unspent CSR Account under Sub- section (6) of Section 135 (in ₹ crore)	Amt. Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Sub- section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹ crore)	Deficiency, if any
					Amount (in ₹ crore)	Date of Transfer		
1	FY-1							
2	FY-2			NOT APPLICABLE				
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: 612

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		
					CSR Registration Number, if applicable	Name	Registered address
Details of Capital Asset created or acquired through Corporate Social Responsibility amount is available on the Company's website at – https://investors.larsentoubro.com/listing-compliance-agm.aspx.							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. - NOT APPLICABLE

For **Larsen & Toubro Limited**

S. N. Subrahmanyan
Chairman & Managing Director
DIN: 02255382

Ajay Tyagi
Chairman - CSR & Sustainability Committee
DIN: 00187429

May 5, 2026
Mumbai

Annexure 'D' to the Board's Report

A. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY26, the percentage increase in remuneration of each Director & Key Managerial Personnel during FY26 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/Key Managerial Personnel	Designation	Total Remuneration	Ratio of remuneration of director to the median remuneration	Percentage increase in Remuneration[4]
Mr. S. N. Subrahmanyan	Chairman & Managing Director	120.84	1,016	58.48
Mr. R. Shankar Raman	President, Whole-time Director & CFO	54.03	454	44.72
Mr. Subramanian Sarma	Deputy Managing Director & President	55.73	469	25.09
Mr. S. V. Desai	Whole-time Director & Sr. Executive Vice President (Civil Infrastructure)	40.15	338	58.43
Mr. T. Madhava Das	Whole-time Director & Sr. Executive Vice President (Utilities)	34.96	294	41.15
Mr. Anil V. Parab	Whole-Time Director & Sr. Executive Vice President (Heavy Engineering & Manufacturing)	25.20	212	63.70
Mr. Sanjeev Aga	Independent Director	0.97	8	28.80
Mr. Narayanan Kumar	Independent Director	0.83	7	20.60
Mrs. Preetha Reddy	Independent Director	0.68	6	30.87
Mr. Pramit Jhaveri	Independent Director	0.81	7	37.58
Mr. Jyoti Sagar	Independent Director	0.58	5	45.98
Mr. Rajnish Kumar	Independent Director	0.90	8	23.76
Mr. Ajay Tyagi	Independent Director	0.65	5	23.19
Mr. P. R. Ramesh	Independent Director	1.03	9	13.47
Mr. Amitabh Kant[1]	Independent Director	0.30	6	–
Mr. B. Santhanam[1]	Independent Director	0.24	5	–
Mr. Siddhartha Mohanty[2]	Nominee of Life Insurance Corporation of India (LIC)	0.48	4	–
Mr. Sivaram Nair A[3]	Company Secretary & Compliance Officer	0.65	5	–
Mr. Subramanian Narayan[3]	Company Secretary & Compliance Officer	1.21	11	4

1 Appointed as Independent Director w.e.f October 29, 2025

2 Commission has been paid to the institution the director represents

3 Mr. Sivaram Nair A, retired from the Company effective May 9, 2025, and Mr. Subramanian Narayan was appointed as Company Secretary & Compliance Officer effective May 10, 2025.

4 The percentage change denotes the variation in total remuneration over FY25. The percentage change with respect to Non-executive and Independent Directors remuneration denotes increase in sitting fees and commission, basis the increased meetings in FY26.

- Details not given as the person was there for the part of the year/previous year.

B. Percentage increase in the median remuneration of all employees in FY26:

The median remuneration of employees of the Company during the financial year was ₹11.89 lakh. In the financial year, there was an increase of 11.35% in the median remuneration of employees.

C. Number of permanent employees on the rolls of the Company as on March 31, 2026:

There were 59,051 permanent employees on the rolls of the Company as on March 31, 2026.

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 FY2025-26 was 12.33% whereas there is an increase in the managerial remuneration by 29.64%.

Managerial remuneration is considered and recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company , taking into account the overall performance of the Company, the performance of the business segments overseen by the Executive Directors, prevailing industry trends, and individual performance.

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's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[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, 2026**, 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, 2026 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, 2025 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**;

   f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable as the Company has not delisted/ proposed to delist its equity shares from any Stock Exchange during the financial year under review**;

   g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable to the Company has not bought back/ proposed to buy-back any of its securities during the period under review**;

   h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;

vi. The Company has informed that there are no laws which are specifically applicable to the Company.

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

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

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

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 Independent Director. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors of the schedule of the Board and Committee Meetings and Agenda & detailed notes on agenda were sent at least seven days in advance except where consent of directors was received for circulation of the Agenda and notes on Agenda at a shorter notice and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting;
- All decisions of Board and Committee meetings were carried unanimously.

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

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

The Company has:

- redeemed Non-Convertible Debentures of ₹6,000 crores on their respective due dates;
- raised ₹500 crore by issue and allotment of 50,000, 6.35% Listed, Rated, Unsecured, Redeemable, Non-Convertible Debentures (NCDs) of ₹1 lakh each. The said NCDs are linked to the identified sustainability targets and are issued under the Framework for Environment, Social and Governance (ESG) Debt Securities (other than green debt securities) issued by SEBI.
- The Board of Directors of the Company at their Meeting held on December 8, 2025, has, approved a Scheme of Arrangement (the "Scheme") amongst the Company and L&T Realty Properties Limited, a wholly owned subsidiary of the Company (the "Transferee Company") and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules and regulations made thereunder, each as amended for transfer and vesting of the Realty Undertaking of the Company to the Transferee Company, subject to the approval of the requisite majority of the members and the creditors of the Companies, and necessary No objection/Observation letter from BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") and sanction by the Mumbai bench of the Hon'ble National Company Law Tribunal ("NCLT"). As on the date of this report, the Company has received Observation letter from BSE and NSE for the Scheme and thereafter the Company has filed application with NCLT, Mumbai Bench on March 27, 2026.

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: F004206H000276962

Place: Thane
Date: May 5, 2026

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 31st March, 2026, 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: F004206H000276962

Place: Thane
Date: May 5, 2026


LARSEN & TOUBRO
A leap that begins with engineering and lands in history.
Leaping to the moon with Chandrayaan-3 was no ordinary feat. It demanded cutting-edge engineering and flawless execution.
From system integration of the launch vehicle, to launch tracking with the C&S Band Radar, to deep-space communication using the 32M DSN Antenna - every step was engineered with precision.
These systems were manufactured and tested to perfection by L&T and delivered ahead of schedule - enabling the Vikram Lander's historic, pinpoint touchdown.
It takes a leap of innovation to push the limits and create history.
JUST LEAP
SCAN TO SEE OUR LEAP
At the heart of ISRO's Chandrayaan-3, technology powered by L&T

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LARSEN & TOUBRO LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Larsen & Toubro Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including material accounting policies and other explanatory information which includes 33 joint operations accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate audited financial statements of joint operations referred to in the 'Other Matters' section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition – accounting for construction contracts	
Key audit matter Description	Revenues are recognised under Ind AS 115, "Revenue from Contracts with Customers" basis the nature and type of contracts (i.e., products, projects and services) involved. The Company recognizes revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract to completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract. Cost estimates need to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. Moreover, significant judgements are involved in determining the expected losses on onerous contracts, when such losses become probable based on the expected total contract cost. Such estimates are reviewed by the Company's Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (change orders and claims). Variable consideration is recognized when recovery is based on the customer's acceptance, or when such consideration is highly probable based on the Company's contractual rights and /or a legal assessment. Revenue and profits for the year may deviate significantly on account of changes in the above judgements and estimates. Therefore, considering the judgements and complexities involved in the estimation process and due to the significance of the amounts to the standalone financial statements, this is a key audit matter. Refer to Note No. [1](ii)(e) and 31 to the Standalone Financial Statements.
How the Key Audit Matters was addressed in our audit	Our procedures in respect of recognition of construction contract revenue and related cost included the following: (a) Tested the design, implementation and operating effectiveness of key internal financial controls, including those related to estimation of construction contract costs, contract revenue and review and approval thereof. (b) Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers". (c) For selected sample of contracts with customers, performed the following procedures: i) Obtained and read customer contracts, customer communications, and price or scope variation orders for the project. ii) Tested the calculation of percentage of completion as per input method adopted by the Management including the testing of costs incurred and recorded against the contracts.

Revenue recognition – accounting for construction contracts	
	iii) Verified relevant supporting documents and performed cut off procedures for construction contract related costs incurred through the reporting period. iv) For variable consideration (variation/claims) recognized we evaluated and verified management's assessment of contractual terms, client communications and legal assessment, wherever considered necessary. v) Evaluated the reasonableness of key assumptions included in the estimated total construction contract costs by performing retrospective review of Management's forecasting process by reviewing past trends of estimated costs to actual costs over time, discussed variances with project teams and substantively tested where relevant, the elements of the committed cost to executed purchase orders and underlying agreements. vi) Discussed progress to date with project teams to determine whether the remaining costs to complete appear sufficient for the residual risks identified for those projects. vii) Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition, checked exceptions for contracts with low or negative margins, loss making contracts/ onerous contracts, contracts with significant changes in cost estimates and significant overdue net receivable positions for contracts, etc. viii) Assessed the adequacy of presentation and related disclosures in the standalone financial statements are in line with the Indian accounting standards and Schedule III.
Impairment of Trade Receivables and Contract Assets	
Key audit matter description	Impairment of financial assets and contract assets is accounted through allowance for Expected Credit Losses (ECL) under Ind AS 109. The assumptions used for estimating the expected credit loss in respect of these balances is an area which is influenced by Management's judgment. The calculation of the impairment allowance under ECL method is highly judgemental as it requires Management to assess the estimated credit losses in respect of trade receivables based on credit risk profile of customers, project status, past collection experience, ongoing litigations and disputes, if any, economic and market conditions and applicable forward looking estimates and recoverability of contract assets ('unbilled revenue') relating to claims/ variations by reference to contractual terms, expert's assessment and legal advice. Considering such assessment, management uses a provision matrix to recognise impairment for expected credit losses in respect of trade receivables and contract assets. Given the relative significance of these balances to the standalone financial statements, Management judgement and uncertainties involved as well as the nature and extent of audit procedures performed to assess the recoverability of trade receivables and contract assets, we determined this to be a key audit matter. Refer to Note Nos. [1](ii)(e), [1](ii)(m), 11, 16 and 41(c) to the Standalone Financial Statements.
How the Key Audit Matters was addressed in our audit	Our procedures in respect of recoverability of trade receivables and contract assets included the following: Evaluated the design and tested the operating effectiveness of key internal financial controls over Management's assessment of recoverability of trade receivables and contract assets. For selected samples of contracts a) Obtained an understanding from Management the related contractual terms, collection experience, basis of Management's assessment of collectability, and expected realisation plan. b) Performed test of details over key contract terms, correspondence with customers and subsequent settlements/ collections, where relevant. c) Tested the ageing of trade receivables and contract assets at the year end. Assessed the information used by the Management to determine the expected credit losses by considering credit risk profile of the customer, contractual terms, project status, past collection experience, uncertainties and delays in recoveries, subsequent realisation, correspondence with the customers, ongoing litigations and disputes, if any. Reviewed the key assumptions and data sources used by Management in the provision matrix model to calculate the probability of default and estimate the expected credit losses in respect of trade receivables and contract assets. For aged contract asset balances, held discussions with management on timing and expectation of recoverability, historical payment records, status of certified dues and other relevant correspondence with customers to challenge adequacy of impairment allowance considered. Assessed the adequacy of presentation and related disclosures in the financial statements are in line with the accounting standards and Schedule III.

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

- The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

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

In preparing the standalone financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

- We did not audit the financial information of 33 joint operations included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of ₹ 5,048.28 crore as at March 31, 2026 and total revenue of ₹ 2043.32 crore and net cash outflows of ₹ (61.97) crore for the year ended on that date, as considered in the standalone financial statements. The financial information of these joint operations have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on the report of such other auditors.
- The standalone audited financial statements for the year ended March 31, 2025, included in the accompanying standalone financial statements were audited jointly with predecessor joint auditor, for which report dated May 8, 2025 expressed an unmodified opinion on those standalone audited financial statements.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the joint operations, referred to in the 'Other Matters' section above, we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

   b) In our opinion, proper books of account as required by law have been kept by the Company and its joint operations which are companies incorporated in India so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the standalone financial statements.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Company's Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act and the rules thereunder.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts; - Refer Note 50 to the standalone financial statements;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026;

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement;

v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act, to the extent it applies to payment of dividend. (Refer Note 17 to the standalone financial statements).

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number – 105047W/W101187

Vishal Vilas Divadkar
Partner
Membership No. 118247
UDIN: 26118247ZEXBSH7995

Place: Mumbai
Date: May 5, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the Members of Larsen & Toubro Limited on the Standalone Financial Statements for the year ended March 31, 2026)

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Larsen & Toubro Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to standalone financial statements of joint operations which are incorporated in India.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to standalone financial statements of the joint operation, which is incorporated in India, referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to standalone financial statements established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's management and Board of Director's are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

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

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

Other Matters

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

Our opinion is not modified in respect of this matter.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number – 105047W/W101187

Vishal Vilas Divadkar
Partner
Membership No. 118247
UDIN: 26118247ZEXBSH7995

Place: Mumbai
Date: May 5, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the Members of Larsen & Toubro Limited on the Standalone Financial Statements for the year ended March 31, 2026)

i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment (including those covered under non-current assets held for sale), investment property and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment (including those covered under non-current assets held for sale), investment property were physically verified by the management according to a phased programme designed to cover all items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment and investment property have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements as a part of property, plant and equipment, capital work-in progress and investment property are held in the name of the Company, except for Land aggregating to ₹ 1.01 crores as at March 31, 2026 for the following:

₹ crore

Description of property	Gross carrying value as at March 31, 2026 (₹ crore)	Held in the name of	Whether promote, director or their relative or employee	Period held – Indicate range, where appropriate	Reason for not being held in name of Company (also indicate if in dispute)
Freehold Land – Hazira West	1.01	1. Magan Kuber* 2. Kashiben Patel 3. Ishwar Prema	No	14 years (Since 2012)	Land acquired from farmers through Government Acquisition Route. The formalities are pending from the authorities side.

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

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In case of real estate inventory wherein, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification to the extent of work completion by competent persons, are at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. Discrepancies of 10% or more in aggregate for each class of inventories were not noticed in respect of such verification. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from Banks or financial institutions, on the basis of security of current assets. Based on the records examined by us, quarterly returns/statements filed with such Banks or financial institutions are in agreement with the unaudited books of accounts of the Company of the respective quarters and no material discrepancies have been observed.

iii. (a) According to the information and explanations provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, and/or provided security to other entities.

(A) The details of such guarantee, security, loans or advances in the nature of loans to subsidiaries, Joint Ventures and Associates are as follows:

₹ crore

Particulars	Guarantees	Security	Loans*	Advances in the nature of loans
Aggregate amount granted/provided during the year				
- Subsidiaries	2872.00	NIL	342.95	NIL
- Joint Ventures	69.36	NIL	NIL	NIL
- Associates	NIL	NIL	NIL	NIL
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	8616.00	NIL	992.02	NIL
- Joint Ventures	209.10	NIL	NIL	NIL
- Associates	NIL	NIL	NIL	NIL

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

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made and guarantees provided are not prejudicial to the interest of the Company.

(c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated. Except for following, the borrowers have been regular in the repayment of the principal and payment of interest. The details of the same are follows:

Name of the entity	Amount in ₹ crore	Due Date	Date of payment	Extent of delay	Remarks, if any
L&T Special Steels & Heavy Forgings Pvt. Ltd.	1580.38	30-Jun-22	–	1371 days	Principal on Working Capital and Project Funding Loan.
	150.00	30-Jun-22	30-Mar-26	1370 days	
L&T Special Steels & Heavy Forgings Pvt. Ltd.	34.00	30-Sep-22	30-Sep-25	1097 days	Principal on Working Capital and Project Funding Loan.
	34.00	30-Sep-23	30-Sep-25	732 days	
	34.00	30-Sep-24	30-Sep-25	366 days	
L&T Special Steels & Heavy Forgings Pvt. Ltd.	473.36	From 30-Jun-22 to 18-Feb-25	24-Mar-26*	Upto 1364 days	Interest on Working Capital and Project Funding Loan.
	6.39	30-Sep-25	–	183 days	

*Refer to Note No. 47(c)(xxi) and 63(a) to the standalone financial statements.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days, on the loans, as explained to us, the Management has taken reasonable steps for recovery of principal and interest.

No. of Cases	Principal amount overdue (₹ in crore)	Interest overdue (₹ in crore)	Total overdue (₹ in crore)	Remarks (if any)
1	1580.38	6.39	1586.77	Principal and Interest on Working Capital and Project Funding Loan.

Refer to Note No. 63(a) to the standalone financial statements.

(e) According to the information and explanations provided to us, there were no loans or advance in the nature of loan granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loan given to the same parties.

(f) According to the information and explanations provided to us, the Company has not any granted loans or advances in the nature of loans, including to related parties as defined in clause (76) of section 2 of the Act either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made during the year, as applicable.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products and services. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, and other material statutory dues have been generally regularly deposited by the Company with appropriate authorities during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, dues relating to Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

₹ crore

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates	Amount Involved	Amount unpaid
Goods & Services Tax, 2017	Disallowance of input tax credits, classification dispute related to place of supply and cross charge	High Court	2017-18 to 2021-22	1,624.81	1,575.93
	Disputes relating to questions of law, disallowance and mismatch of input tax credit including mismatch between GSTR-2A and GSTR-3B, inadmissible ITC under Section 16(2), excess ITC claimed in TRAN-1, excess availment of ITC on RCM basis, ITC from cancelled dealers, undischarged or short-discharge of tax liability including liability under RCM, GST rate disputes, mismatch of returns, and other related matters.	Commissioner (Appeals)/ Appellate Authority/Additional Commissioner/ Assistant Commissioner of Central GST/ Assistant Commissioner of State GST/ Deputy Commissioner of Central GST/ Deputy Commissioner of State GST/Joint Commissioner of Central GST/ State Tax Officer/ Superintendent	2017-18 to 2023-24	2,132.55	2,020.97
	Disputes relating to questions of law, classification, tax levied on goods-in-transit, labour charges, disallowance of input tax credit on deemed export sales, disallowance of input tax credits, credits claimed in TRAN-1, mismatch of returns, GST rate disputes, ineligible credit of educational cess and other related matters.	Appellate Tribunal	2017-18 to 2022-23	991.21	947.99
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Disallowance of exemptions claimed for imports & Sales in transit, labour & service charges disallowed and other matters	CESTAT	2015-16 to 2017-18	145.55	137.26
	Disallowance of input tax credits, Mismatch of Return, GST rate dispute and other matters	Commissioner (Appeals)	2018-2023	0.31	0.28
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, and other matters.	CESTAT/ Additional Commissioner Appeal, Appellate DC	2004-05 to 2017-18 & 2021-22	75.20	34.82

₹ crore

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates	Amount Involved	Amount unpaid
The Central Excise Act, 1944, Service Tax under Finance Act, 1994 and Customs Act, 1962	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, Service Tax for CSR Disallowed and other matters.	CESTAT/High Court	2006-18 & 2021-22	357.86	327.27
	Dispute regarding questions of law, classification dispute, Rate disputes and other matters	Supreme Court	1999-00 & 2006-07	10.80	-
	Dispute related to adjustment of advance service tax paid on goods and subsequently adjusted & Dispute related to valuation of Goods	Central Excise and Service Tax Appellate Tribunal	2012-13 & 2016-17	15.25	14.68
The Central Sales Tax Act, Entry tax, Local Sales Tax Act, Works Contract Tax Act	Disallowance of exemptions claimed for imports & Sales in transit, labour & service charges disallowed and other matters	Tribunal/ Department	1991-96 & 2008-10	7.97	5.46
	Dispute related to question of law, sales In transit, high Sea sales, disallowance of import sales, Non Submission of C/EI/EII forms, disallowance of ITC, Valuation of Goods, Classification disputes, rate of tax of declared goods, disallowance of Labour & Service Charges and other Matters	Assessing Officer/ Assessing Authority/ Deputy Commissioner/ Additional Commissioner/ Appellate Authority/ DECT Appeal/Deputy Commissioner (Appeals)Joint Commissioner	2004-05 to 2017-18	695.49	654.58
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax non-submission of C forms,, valuation of goods, and other matters	Tribunal	1995-2018	674.15	508.58
	Dispute regarding question of law, Arbitary enhancement, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, sales in transit, high sea sales, valuation of goods, and other matters	High Court	1987-2016	447.50	447.50
	Dispute regarding question of law, Disallowance of CENVAT credit, short payment of service tax, Valuation disputes, dispute regarding classification of services/goods, disallowances of excise duty exemption, Non-Maintenance of Separate Books of Accounts, Export rebate disallowance, sales in transit, high sea sales, non-submission of C forms & E1 forms, disallowance of ITC, valuation of goods, and other matters	Joint commissioner Appeals/ Additional Commissioner Appeals/ Deputy Commissioner Appeals/ Assistant Commissioner Appeals/ Commissioner Appeals/ Appellate DC	1993-94 to 2017-18	1,112.07	919.20
	Dispute regarding questions of law, Classification dispute, Tax levied on goods-in-transit, labour charges & disallowance of input tax credit on deemed export sales, Taxability of sub- contractor turnover and non- submission of forms	Commissioner Appeals/High Court/Supreme court	2000-16	759.31	737.76

₹ crore

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates	Amount Involved	Amount unpaid
Income Tax Act, 1961	Demands arising out of Regular Assessment/ Reassessment	High Court (HC)	AY 1993-94 to 1994-95, AY 1999-00, AY 2005-06	37.43	0.72
	Demands arising out of Regular Assessment	Income Tax Appellate Tribunal (ITAT)	AY 2006-07 to 2012-13, AY 2016-17, AY 2022-23	1,356.96	668.38
	Demands arising out of Regular Assessment/ Reassessment	CIT(A)	AY 2014-15 to 2021-22	3,074.99	2,466.77
	Demand arising out of order under section 201(1)/201(1A) of the Income Tax Act	CIT(A)	AY 2011-12, AY 2014-15, AY 2016-17, AY 2018-19 to 2020-21	69.77	68.89

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued during the year and till the date of our audit report, for the period under audit in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its Group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 58 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vishal Vilas Divadkar
Partner
Membership No. 118247
UDIN: 26118247ZEXBSH7995

Place: Mumbai
Date: May 05, 2026

Standalone Balance Sheet as at March 31, 2026

₹ crore

Particulars	Note	As at 31-3-2026		As at 31-3-2025	
ASSETS:					
Non-current assets					
Property, plant and equipment	2		9354.83		9155.12
Capital work-in-progress	2		1439.81		1117.33
Investment property	3		1025.57		741.34
Investment Property under construction	3		553.53		565.82
Goodwill	4		121.86		121.86
Other Intangible assets	4		118.46		107.95
Intangible assets under development	4		31.47		21.76
Right-of-use assets	54(b)		1066.94		561.89
Financial assets:					
Investments	5	26993.91		32853.88	
Loans	6	808.69		726.67	
Other financial assets	7	827.56		976.02	
			28630.16		34556.57
Deferred tax assets (net)	44(d)		1148.77		1544.69
Current tax assets (net)			3240.44		3511.16
Other non-current assets	8		1495.14		1838.30
Sub-total - Non-current assets			48226.98		53843.79
Current assets					
Inventories	9		3690.92		3398.77
Financials assets					
Investments	10	29612.56		24788.29	
Trade receivables	11	45330.30		38330.18	
Cash and cash equivalents	12	6152.25		3583.55	
Other bank balances	13	1392.07		763.06	
Loans	14	352.71		635.02	
Other financial assets	15	5384.61		3775.12	
			88224.50		71875.23
Other current assets	16		66396.73		57141.13
Sub-total - Current assets			158312.15		132415.12
Group(s) of assets classified as held for sale	39		1599.11		157.44
TOTAL ASSETS			208138.24		186416.35

Standalone Balance Sheet as at March 31, 2026 (contd.)

₹ crore

Particulars	Note	As at 31-3-2026		As at 31-3-2025	
EQUITY AND LIABILITIES:					
Equity					
Equity share capital	17	275.13		275.04	
Other equity	18	74257.77		71620.80	
Total equity			74532.90		71895.84
Liabilities					
Non- current liabilities					
Financial liabilities					
Borrowings	19	9787.67		9286.00	
Lease liabilities		348.91		198.19	
Other financial liabilities	20	292.01		143.07	
			10428.59		9627.26
Provisions	21		769.32		765.72
Other non-current liabilities	22		22.02		18.47
Sub-total - Non-current liabilities			11219.93		10411.45
Current liabilities					
Financial liabilities:					
Borrowings	23	1593.46		3743.58	
Current maturities of long-term borrowings	24	392.20		8905.30	
Lease liabilities		535.73		162.18	
Trade payables:	25				
Due to micro enterprises and small enterprises		1524.75		1170.16	
Due to others		47615.76		37625.83	
Other financial liabilities	26	5177.07		3450.20	
			56838.97		55057.25
Other current liabilities	27		60674.27		44764.13
Provisions	28		2702.49		2398.23
Current tax liabilities (net)			2138.26		1889.45
Sub-total - Current liabilities			122353.99		104109.06
Liabilities associated with the group(s) of assets classified as held for sale	39		31.42		–
TOTAL LIABILITIES			133605.34		114520.51
TOTAL EQUITY AND LIABILITIES			208138.24		186416.35
CONTINGENT LIABILITIES	29				
COMMITMENTS (capital and others)	30				
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1 to 64				

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Standalone Statement of Profit and Loss for the year ended March 31, 2026

₹ crore

Particulars	Note	2025-26		2024-25	
INCOME:					
Revenue from operations	31		153680.17		142509.01
Other income (net)	32		7358.45		5669.21
Total Income			161038.62		148178.22
EXPENSES:					
Manufacturing ,construction and operating expenses	33				
Cost of raw materials and components consumed		19804.95		15219.90	
Construction materials consumed		45669.73		45457.97	
Purchase of stock-in-trade		1250.49		1409.90	
Stores, spares and loose tools consumed		2581.14		3060.70	
Sub-contracting charges		39966.86		35741.21	
Changes in inventories of finished goods, stock-in-trade and work-in-progress		139.05		1089.23	
Other manufacturing, construction and operating expenses		16597.71		14676.41	
			126009.93		116655.32
Employee benefits expense	34		11602.89		10380.08
Sales, administration and other expenses	35		3502.03		3885.36
Finance costs	36		1675.42		2195.46
Depreciation, amortisation, impairment and obsolescence	37		1985.40		1963.02
Total Expenses			144775.67		135079.24
Profit before exceptional items and tax			16262.95		13098.98
Exceptional items before tax (net) [gain/(loss)]	59		(7121.73)		474.78
Profit before tax			9141.22		13573.76
Tax expenses:					
Current tax	44(a)	2866.39		2849.97	
Deferred tax	44(a)	(12.30)		(146.93)	
Total tax expense			2854.09		2703.04
Net profit after tax			6287.13		10870.72
Other comprehensive income					
A Items that will not be reclassified to Profit or Loss:					
Gain/(loss) on remeasurement of the defined benefits plan		(195.14)		(266.31)	
Income tax (expenses)/income on remeasurments of the defined benefits plan		49.11		67.02	
			(146.03)		(199.29)
Carried forward - Other comprehensive income			(146.03)		(199.29)

Standalone Statement of Profit and Loss for the year ended March 31, 2026 (contd.)

₹ crore

Particulars	Note	2025-26		2024-25	
Brought forward - Other comprehensive income			(146.03)		(199.29)
B Items that will be reclassified to Profit or Loss:					
Debt instruments through Other comprehensive income		(468.41)		264.26	
Income tax (expenses)/income on debt instruments through Other comprehensive income		89.84		(60.46)	
			(378.57)		203.80
Exchange differences in translating the financial statements of foreign operations		(87.41)		(15.57)	
Income tax (expenses)/income on exchange differences in translating the financial statements of foreign operations		22.00		3.92	
			(65.41)		(11.65)
Effective portion of gains/(losses) on hedging instruments in a cash flow hedge		2125.25		164.92	
Income tax (expenses)/income on effective portion of gains/(losses) on hedging instruments in a cash flow hedge		(536.49)		(41.56)	
			1588.76		123.36
Cost of hedging reserve		(41.84)		191.13	
Income tax (expenses)/income on cost of hedging reserve		11.61		(48.10)	
			(30.23)		143.03
Other comprehensive income for the year (net of tax)			968.52		259.25
Total comprehensive income for the year			7255.65		11129.97
Earnings per share (EPS) of ₹ 2 each:					
Basic earnings per equity share (₹)	49		45.71		79.06
Diluted earnings per equity share (₹)	49		45.69		79.00
Face value per equity share (₹)			2.00		2.00
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1 to 64				

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Standalone Statement of Changes in Equity for the year ended March 31, 2026

A. Equity share capital

Particulars	2025-26		2024-25	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,375,192,165	275.04	1,374,668,619	274.93
Add: Shares issued on exercise of employee stock options during the year	440,025	0.09	523,546	0.11
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,375,632,190	275.13	1,375,192,165	275.04

B. Other equity

₹ crore

Particulars	Reserves and surplus								Items of Other comprehensive income			Total other equity
	Capital reserve	Capital reserve on business combination	Capital redemption reserve	Securities premium	Employee share options (net)	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	
Balance as at 1-4-2024	10.84	(25.77)	266.25	50.56	125.69	–	22715.19	41061.19	(26.66)	62.21	1.67	64241.17
Profit for the year (a)	–	–	–	–	–	–	–	10870.72	–	–	–	10870.72
Other comprehensive income (b)	–	–	–	–	–	–	–	(199.29)	(11.65)	266.39	203.80	259.25
Total comprehensive income for the year (a+b)	–	–	–	–	–	–	–	10671.43	(11.65)	266.39	203.80	11129.97
Issue of equity shares on exercise of employee share options	–	–	–	9.22	–	–	–	–	–	–	–	9.22
Transfer on account of exercise of employee share options	–	–	–	78.65	(78.65)	–	–	–	–	–	–	–
Transfer to non- financial assets/liability	–	–	–	–	–	–	–	–	–	1.89	–	1.89
Transfer from/to general reserve/retained earnings during the period	–	–	–	–	(2.06)	–	2.06	–	–	–	–	–
Employee share options (net)	–	–	–	–	88.12	–	–	–	–	–	–	88.12
Dividend paid for previous year	–	–	–	–	–	–	–	(3849.57)	–	–	–	(3849.57)
Balance as at 31-3-2025	10.84	(25.77)	266.25	138.43	133.10	–	22717.25	47883.05	(38.31)	330.49	205.47	71620.80

Standalone Statement of Changes in Equity for the year ended March 31, 2026 (contd.)

₹ crore

Particulars	Reserves and surplus								Items of Other comprehensive income			Total other equity
	Capital reserve	Capital reserve on business combination	Capital redemption reserve	Securities premium	Employee share options (net)	Debenture redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	
Balance as at 1-4-2025	10.84	(25.77)	266.25	138.43	133.10	–	22717.25	47883.05	(38.31)	330.49	205.47	71620.80
Profit for the period (c)	–	–	–	–	–	–	–	6287.13	–	–	–	6287.13
Other comprehensive income (d)	–	–	–	–	–	–	–	(146.03)	(65.41)	1558.53	(378.57)	968.52
Total comprehensive income for the period (c+d)	–	–	–	–	–	–	–	6141.10	(65.41)	1558.53	(378.57)	7255.65
Issue of equity shares on exercise of employee share options	–	–	–	7.43	–	–	–	–	–	–	–	7.43
Transfer on account of exercise of employee share options	–	–	–	74.19	(74.19)	–	–	–	–	–	–	–
Transfer to non- financial assets/liability	–	–	–	–	–	–	–	–	–	4.65	–	4.65
Transfer from/to general reserve/retained earnings during the period	–	–	–	–	(1.60)	–	1.60	–	–	–	–	–
Employee share options (net)	–	–	–	–	45.46	–	–	–	–	–	–	45.46
Dividend paid for previous year	–	–	–	–	–	–	–	(4676.22)	–	–	–	(4676.22)
Balance as at 31-3-2026	10.84	(25.77)	266.25	220.05	102.77	–	22718.85	49347.93	(103.72)	1893.67	(173.10)	74257.77

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Standalone Statement of Cash Flows for the year ended March 31, 2026

₹ crore

Particulars	2025-26	2024-25
A. Cash flow from operating activities:		
Profit before exceptional items and tax	16262.95	13098.98
Adjustments for:		
Dividend received	(3441.74)	(2977.27)
Depreciation, amortisation, impairment and obsolescence	1985.40	1963.02
Exchange difference on items grouped under financing/investing activities	10.38	8.47
Effect of exchange rate changes on cash and cash equivalents	(90.99)	7.82
Finance costs	1521.76	2070.62
Interest income	(1835.94)	(1368.61)
(Profit)/loss on sale of Property, plant and equipment, Investment property and Intangible assets (net)	(69.76)	(407.70)
(Profit)/loss on sale/fair valuation of investments (net)	(1056.02)	(457.20)
Bad debts/Allowance for expected credit loss (net)	1098.76	967.68
Employee stock option-discount	42.40	83.83
Others	16.69	16.09
Operating profit before working capital changes	14443.89	13005.73
Adjustments for:		
(Increase)/decrease in trade and other receivables	(19180.95)	(1639.68)
(Increase)/decrease in inventories	(268.51)	132.99
Increase/(decrease) in trade and other payables	29235.41	3599.34
Cash generated from operations	24229.84	15098.38
Direct taxes paid (net)	(2301.89)	(2395.33)
Net cash generated from operating activities	21927.95	12703.05
B. Cash flow from investing activities:		
Purchase of Property, plant and equipment, Investment property and Intangible assets	(2241.73)	(2725.01)
Sale of Property, plant and equipment, Investment property and Intangible assets	327.83	685.17
Investment in subsidiaries, associates and joint venture companies	(1432.15)	(2215.31)
Divestment of stake in subsidiaries, associates and joint venture companies (net)	–	1065.37
Purchase of non-current investments	(62.50)	–
Sale of non-current investments	6.43	–
(Purchase)/sale of current investments (net)	(4028.23)	(7306.59)
Change in other bank balances and cash not availabe for immediate use	(740.03)	155.99
Long term deposits/loans (given) - subsidiaries, associates, joint venture companies and third parties	(53.17)	(111.48)
Long term deposits/loans repaid - subsidiaries, associates, joint venture companies and third parties	5.00	4.51
Short term deposits/loans (given)/repaid (net) - subsidiaries, associates, joint venture companies and third parties	286.00	(134.46)
Advance received towards transfer of business undertaking	42.90	–
Interest received	1684.87	1260.14
Dividend received from subsidiaries, joint venture and associate companies	3403.39	2957.73
Dividend received on other investments	38.35	19.54
Cash and cash equivalents classified to held for sale	(0.26)	–
Net cash used in investing activities	(2763.30)	(6344.40)

Standalone Statement of Cash Flows for the year ended March 31, 2026 (contd.)

₹ crore

Particulars	2025-26	2024-25
C. Cash flow from financing activities:		
Proceeds from fresh issue of share capital (including share application money) [net]	7.52	9.32
Proceeds from non-current borrowings	500.00	5500.00
Repayments of non-current borrowings	(8254.71)	(4950.00)
Proceeds/(repayments) from other borrowings (net)	(2134.85)	(1120.48)
Settlement of derivative contracts related to borrowings	37.27	50.24
Interest paid on lease liability	(48.89)	(23.30)
Repayment of lease liability	(235.06)	(136.03)
Dividends paid	(4676.22)	(3849.57)
Interest paid (including cash flows from interest rate swaps)	(1896.16)	(2192.29)
Net cash used in financing activities	(16701.10)	(6712.11)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2463.55	(353.46)
Cash and cash equivalents at beginning of the year	3583.55	3940.99
Effect of exchange rate changes on cash and cash equivalents	105.15	(3.98)
Cash and cash equivalents at end of the year	6152.25	3583.55

Notes:

1 Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2 Property, plant and equipment, Investment property and Intangible assets are adjusted for movement of (a) capital work-in-progress for property, plant and equipment and investment property and (b) intangible assets under development during the year.

3. Previous year's figures have been regrouped/reclassified wherever applicable.

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Notes forming part of the Standalone Financial Statements

NOTE [1](i)

Company overview:

Larsen & Toubro Limited ("the Company") is a public limited company incorporated and domiciled in India and has its registered office at L&T House, Ballard Estate, Mumbai – 400001. The Company's share is listed on National Stock Exchange of India Limited (NSE) and BSE Limited. The Company is an Indian multinational engaged in EPC Projects, Hi-Tech Manufacturing and Services. It operates in over 50 countries worldwide. A strong, customer focused approach and the constant quest for top-class quality have enabled the Company to attain and sustain leadership in its major lines of business for over eight decades.

The Company is engaged in core, high impact sectors of the economy and its integrated capabilities span the entire spectrum of 'design to delivery'. Every aspect of Company's businesses is characterised by professionalism and high standards of corporate governance. Sustainability is embedded into its long-term strategy for growth.

The Company's manufacturing footprint extends across eight countries in addition to India. The Company has several international offices and a supply chain that extends around the globe.

NOTE [1](ii)

Material Accounting Policy Information

(a) Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These financials statements have been approved for issue by the Board of Directors at its meeting held on May 5, 2026.

(b) Basis of accounting

The Company maintains its accounts on accrual and going concern basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the assets or liabilities, either directly or indirectly;and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

(c) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the financial statements are presented in Indian Rupee in crore [1 crore = 10 million] rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee up to two decimals places.

(d) Operating cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of the specific project or contract or product line or service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. Accordingly, assets and liabilities related to specific projects or contracts are classified as current, based on its operating cycle. Assets and liabilities other than those relating to specific project or contract or product line or service are classified as current if it is expected to realise or settle within 12 months after the balance sheet date.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

(e) Revenue recognition

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to customer.

For performance obligation satisfied over time, the revenue recognition is done using input method by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation as it best depicts the transfer of control that occurs as costs are incurred.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

(a) the customer simultaneously consumes the benefit of the Company's performance or

(b) the customer controls the asset as it is being created/ enhanced by the Company's performance or

(c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

(i) Revenue from operations

A. Revenue from sale of manufactured and traded goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods. Revenue from commissioning of complex plant and equipment is recognised either 'over time' or 'in time' based on an assessment of the transfer of control as per the terms of the contract.

B. Revenue from construction/project related activity is recognised as follows:

- Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
- Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. With respect to contracts, where the outcome of the performance obligation cannot be reasonably measured, but the costs incurred towards satisfaction of performance obligation are expected to be recovered, the revenue is recognised only to the extent of costs incurred.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

The Company includes variable consideration (including estimates amounts of claims) as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when its recovery is highly probable and that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract and costs incurred to fulfil a contract which are expected to be recovered are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

Significant judgments are used in:

a. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation

b. In estimation of total revenue and cost at completion considering the nature of work required to be performed on many of the performance obligation are complex and are subject to many variables

c. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

d. Determining the method to be applied to arrive at the variable consideration including variations and claims requiring an adjustment to the transaction price. Variable consideration is recognised when the recovery of such consideration is highly probable. The recognition and estimates of variable consideration including claims are based on Management's assessment of contractual tenability of the claims/variations, discussions/negotiations with the customers, and legal opinion where required.

Due to the nature of business of the Company, determining the revenue, measurement of progress, expected losses as mentioned above, is subject to many variables and requires significant judgement. Variability in the transaction price arises primarily due to price variation clauses, liquidated damages, changes in scope, claims etc which could be at various stages of negotiation, discussions, litigation with the customer. Apart from other factors, Company also considers its experience with similar transactions and expectations while recognising and estimating the amount of variable consideration to be considered.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Excess of billing over revenue". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The Company recognises impairment loss (termed as provision for expected credit loss in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

C. Revenue from property development activities is recognised when performance obligation is satisfied, customer obtains control of the property transferred and a reasonable expectation of collection of the sale consideration from the customer exists.

D. Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred

E. Revenue from contracts for rendering of engineering design services and other services which are directly related to the construction of an asset is recognised on the same basis as stated in (B) above.

F. Commission income is recognised as the terms of the contract are fulfilled.

G. Course fees/subscription income is recognised over time as per the course/subscription duration and agreed terms.

H. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and right to receive the income is established as per the terms of the contract

(ii) Other income

A. Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

B. Dividend income is accounted in the period in which the right to receive the same is established

C. Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Company, are recognised as other income/reduced from underlying expenses in profit or loss in the period in which such costs are incurred. Government grants related to an asset are reduced from the cost of an asset until the asset is ready to use

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

and the grant post that is presented as deferred income. Subsequently the grant is recognised as income in profit or loss on a systematic basis over the expected useful life of the related asset. Government grant receivable in the form of duty credit scrips is recognised as other income in the Statement of Profit and Loss in the period in which the export is done or the application is made to the government authorities and to the extent there is no uncertainty towards its receipt

D. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

(f) Exceptional items

An item of income or expense which by its size, nature and incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

(g) Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. All directly attributable costs related to the acquisition of PPE and borrowing costs in case of qualifying assets are capitalised in accordance with the Company's accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. All direct cost that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress". (Also refer to the policies on leases, borrowing costs, impairment of assets and foreign currency transactions below).

Depreciation is recognised using straight-line method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset then useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life

Depreciation on additions to/deductions from, owned assets is calculated pro rata from the period of put to use.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

(h) Investment property

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs and borrowing cost capitalised for qualifying assets, in accordance with the Company's accounting policy. Policies with respect to depreciation, useful life and derecognition are followed on the same basis as stated for Property, Plant and Equipment vide Note 1(ii)(g) above

(i) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

Research and development expenditure on new products:

(i) Expenditure on research is expensed under respective heads of account in the period in which it is incurred.

(ii) Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;

B. the Company has intention to complete the intangible asset and use or sell it;

C. the Company has ability to use or sell the intangible asset;

D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;

E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

F. the Company has ability to reliably measure the expenditure attributable to the intangible asset during its development. Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development

Intangible assets are amortised on straight-line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each financial year and the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(j) Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are tested for impairment so as to determine the impairment loss, if any. Goodwill is tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value-in-use; and

(ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.

(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the Company and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount

When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

(k) Employee Benefits

(i) Short term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

(ii) Post-employment benefits:

A. Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

B. Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Company, the post-retirement medical care plan and the company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance costs. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Other long-term employee benefits:

The obligation recognised in respect of other long-term benefits is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii)(B) above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefits expenses. Interest cost implicit in long-term employee benefit cost is recognised in the Statement of Profit and Loss under finance costs.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit can no longer be withdrawn or when the Company recognises the related restructuring costs whichever is earlier.

(l) Leases

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received

The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

Lease payments associated with following leases are recognised as expense on straight-line basis:

(i) Low value leases; and

(ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset

In case of sale and leaseback transactions, the Company first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is at market terms, the Company effectively derecognises the asset, recognises a ROU asset (and lease liability) and recognises in Statement of Profit and Loss, the gain or loss relating to the buyer-lessor's rights in the underlying asset (Also refer to policy on Property, Plant and Equipment vide Note 1(ii)(g), above).

(m) Financial instruments

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such financial assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

In case of funding to subsidiary companies in the form of interest free or concession loans and preference shares, the excess of the actual amount of the funding over initially measured fair value is accounted as an equity investment.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously

(i) Financial assets:

A. All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value as follows:

1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value. Debt instruments at FVTPL is a residual category for debt instruments, if any, and all changes are recognised in profit or loss.

2. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same designated as fair value through profit or loss):

   - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
   - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss). Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss)

   - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
   - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

4. Investment in equity instruments issued by subsidiary, associate and joint venture companies are measured at cost less impairment

5. Investment in preference shares of the subsidiary companies are treated as equity instruments if the same are either convertible into equity shares or are redeemable out of the proceeds from a fresh issue of shares or from the profits of the company. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.

6. Investments in equity instruments issued by other than subsidiaries are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income

7. Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.

B. For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

C. A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or

2. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss.

D. Impairment of financial assets: For trade receivable, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Impairment loss on trade receivables is recognised using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 and is adjusted for forward looking information. Impairment loss on investments is recognised when the carrying amount exceeds its recoverable amount. For all other financial assets, expected credit losses are recognised based on the difference between the contractual cashflows and all the expected cash flows, discounted at the original effective interest rate. ECLs are measured at an amount equal to 12-month expected credit losses or at an amount equal to lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Financial liabilities:

A. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

B. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

(iii) The Company designates certain hedging instruments, such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives, as either fair value hedges, cash flow hedges or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

B. Cash flow hedges: In case of forward contracts the forward element/foreign currency basis spread and the spot element are separated and only the change in the value of the spot element is designated as hedging instrument. In case of options the intrinsic value and time value are separated and only the change in intrinsic value is designated as hedging instrument.

Accounting of spot element/intrinsic value of options: The changes in the fair value of hedge instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.

Accounting of forward element/foreign currency basis spread/time value of options: The changes in fair value is recognised in other comprehensive income and accumulated in equity as "cost of hedging reserve". For a transaction related hedged item, the amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. For a time related hedged item, the time value on the date on which the hedged item affects profit or loss are reclassified to profit or loss as a reclassification adjustment on a straight-line basis over the period of the hedging instrument.

The cash flow hedges are allocated to the forecast transactions on gross exposure basis. Where the hedged forecast transaction results in the recognition of a non-financial asset, such gains/losses are transferred from hedge reserve (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised in profit or loss.

(iv) Compound financial instruments issued by the Company which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by recognising the liability and the equity components separately. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

(n) Inventories

Inventories are valued after providing for obsolescence, as under:

(i) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

(ii) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realisable value. In some cases, manufacturing work-in-progress are valued at lower of specifically identifiable cost or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.

(iii) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.

(iv) Completed property/work-in-progress (including land) in respect of property development activity at lower of specifically identifiable cost or net realisable value.

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

(o) Cash and bank balances

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

(p) Securities premium

(i) Securities premium includes:

A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.

B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

(q) Borrowing Costs

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to finance costs. In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(r) Share-based payment arrangements

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

The fair value of the stock options granted to employees of the Company by the Company's subsidiaries is accounted as employee compensation cost over the vesting period and where such fair value is not recovered by the subsidiaries, the same is treated as dividend declared by them. The share- based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(s) Foreign currencies

(i) The functional currency and presentation currency of the Company is Indian Rupee.

(ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using actual exchange rate or a rate that approximates with it at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not translated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise except for:

A. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when such exchange differences are regarded as an adjustment to finance costs on those foreign currency borrowings; and

B. exchange differences on transactions entered into to hedge certain foreign currency risks.

(iii) exchange rate as of the date on which the non-monetary asset or non-monetary liability is recognised on payment or receipt of advance consideration is used for initial recognition of related asset, expense or income.

(iv) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:

A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;

B. income and expenses for each income statement are translated at average exchange rate for the reporting period; and

C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

(t) Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including inter segment revenue.

ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.

iii) Most of the common costs are allocated to segments mainly on the basis of the respective segment revenue estimated at the beginning of the reporting period.

iv) Income and expense not allocable to segments is included in "Unallocable corporate income net of expenditure".

v) Segment result represents profit before interest and tax and includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Company.

vi) Segment result includes the finance costs incurred on interest bearing advances with corresponding credit included in "Unallocable corporate income net of expenditure".

vii) Segment results are not adjusted for any exceptional item.

viii) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole.

ix) Segment non-cash expenses forming part of segment expenses also includes the fair value of the employee stock options which is accounted as employee compensation cost [Note 1(ii)(r) above] and is allocated to the segment.

x) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price which are either determined to yield a desired margin or agreed on a negotiated basis.

(u) Taxes on income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act,1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances. The computation reflects the effect of uncertainty for each item of allowance and disallowance as appropriate either by

i. expected value method which sums the probability-weighted amounts in a range of possible outcomes or

ii. the most likely amount in a range of possible outcomes.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The Company has applied mandatory exception of recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes as required by Ind AS 12 (as amended).

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

(i) Interests in joint operations

The Company as a joint operator recognises in relation to its interest in a joint operation, its share of the assets/liabilities held/ incurred jointly with the other parties of the joint arrangement. Revenue is recognised for its share of revenue from the sale of output by the joint operation. Expenses are recognised for its share of expenses incurred jointly with other parties as part of the joint arrangement.

Interests in joint operations are included in the segments to which they relate

(v) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

(i) the Company has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

(i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation arising from past events where:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

(w) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares and other investments partly paid;
- funding related commitment to subsidiary, associate and joint venture companies; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

(x) Discontinued operations and non-current assets held for sale

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information *(contd.)*

(y) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- changes during the period in inventories and operating receivables and payables;
- non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

(z) Earnings per share

Basic earnings per share is computed using the net profit or loss after tax and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss after tax and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

(aa) Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/recoverable amount measurement, tax provisions etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

(ab) Business Combination

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognised. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company's financial statements in which they appeared in the financial statements of the transferor company. The excess between the amount of consideration paid over the share capital of the transferor company is recognised as a negative amount and the same is disclosed as capital reserve on business combination.

The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period in the financial statements if the business combination date is prior to that date. However, if business combination date is after that date, the financial information in the financial statements is restated from the date of business combination.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [2]

Property ,Plant and Equipment & Capital work-in-progress

₹ crore

Class of assets	Cost/valuation							Depreciation							Impairment	Book value
	As at 1-4-2025	Additions	Transfer*	Foreign currency fluctuation	Classified as held for sale	Deductions	As at 31-3-2026	Up to 31-3-2025	For the year	Transfer*	Foreign currency fluctuation	Classified as held for sale	Deductions	Up to 31-3-2026	Up to 31-3-2026	As at 31-3-2026
Land																
Freehold	550.13	68.34	0.48	–	–	–	618.95	–	–	–	–	–	–	–	–	618.95
Leasehold	143.14	–	(0.02)	–	–	0.16	142.96	15.95	1.59	–	–	–	0.02	17.52	–	125.44
Sub total	693.27	68.34	0.46	–	–	0.16	761.91	15.95	1.59	–	–	–	0.02	17.52	–	744.39
Buildings	3866.27	132.55	(49.07)	1.34	–	24.00	3927.09	976.04	132.48	(24.12)	1.34	–	16.11	1069.63	87.35	2770.11
Plant and equipment																
Owned	11849.43	976.58	18.01	4.24	0.29	158.11	12689.86	7354.78	1276.46	16.01	4.24	0.10	147.00	8504.39	13.26	4172.21
Leased out	11.34	–	(10.65)	–	–	0.69	–	11.34	–	(10.65)	–	–	0.69	–	–	–
Sub total	11860.77	976.58	7.36	4.24	0.29	158.80	12689.86	7366.12	1276.46	5.36	4.24	0.10	147.69	8504.39	13.26	4172.21
Computers	717.68	71.71	(1.15)	0.18	3.73	61.10	723.59	552.11	73.89	(1.10)	0.18	2.81	61.02	561.25	–	162.34
Office equipment	352.21	36.63	(2.17)	1.08	0.49	6.20	381.06	285.44	33.15	(0.98)	1.07	0.29	6.17	312.22	–	68.84
Furniture and fixtures	170.22	23.44	(0.99)	0.07	0.68	8.68	183.38	126.70	10.77	(1.44)	0.07	0.39	6.52	129.19	0.06	54.13
Vehicles	263.09	17.67	0.08	1.06	–	21.61	260.29	167.19	23.41	0.06	1.06	–	16.12	175.60	–	84.69
Other assets																
Ships	341.49	–	–	–	–	–	341.49	134.38	23.84	–	–	–	–	158.22	–	183.27
Dredged Channel	679.69	0.01	–	–	–	–	679.70	355.45	29.43	–	–	–	–	384.88	–	294.82
Breakwater Structures	226.00	–	–	–	–	–	226.00	51.48	5.01	–	–	–	–	56.49	–	169.51
Aircraft	195.22	556.17	–	–	–	–	751.39	79.30	21.57	–	–	–	–	100.87	–	650.52
Sub-total	1442.40	556.18	–	–	–	–	1998.58	620.61	79.85	–	–	–	–	700.46	–	1298.12
Total	19365.91	1883.10	(45.48)	7.97	5.19	280.55	20925.76	10110.16	1631.60	(22.22)	7.96	3.59	253.65	11470.26	100.67	9354.83
Add: Capital work-in-progress	1117.33	812.70	–	–	–	490.22	1439.81	–	–	–	–	–	–	–	–	1439.81
																10794.64

*Transfer within property, plant and equipment and Transfer (to) / from investment property/inventories

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [2]

Property, Plant and Equipment & Capital work-in-progress *(contd.)*

₹ crore

Class of assets	Cost/Valuation							Depreciation							Impairment	Book value
	As at 1-4-2024	Additions	Transfer*	Foreign currency fluctuation	Classified as held for sale	Deductions	As at 31-3-2025	Up to 31-3-2024	For the year	Transfer*	Foreign currency fluctuation	Classified as held for sale	Deductions	Up to 31-3-2025	Up to 31-3-2025	As at 31-3-2025
Land																
Freehold	523.71	15.07	22.34	–	–	10.99	550.13	–	–	–	–	–	–	–	–	550.13
Leasehold	143.14	–	–	–	–	–	143.14	14.36	1.59	–	–	–	–	15.95	–	127.19
Sub total	666.85	15.07	22.34	–	–	10.99	693.27	14.36	1.59	–	–	–	–	15.95	–	677.32
Buildings	3585.53	319.33	(14.54)	0.31	22.98	1.38	3866.27	868.87	120.21	(8.12)	0.31	4.37	0.86	976.04	87.35	2802.88
Plant and equipment																
Owned	10792.07	1222.84	(2.88)	1.02	37.14	126.48	11849.43	6108.67	1379.10	(0.60)	1.01	18.70	114.70	7354.78	13.26	4481.43
Leased out	11.66	–	(0.32)	–	–	–	11.34	11.66	–	(0.32)	–	–	–	11.34	–	–
Sub total	10803.73	1222.84	(3.20)	1.02	37.14	126.48	11860.77	6120.33	1379.10	(0.92)	1.01	18.70	114.70	7366.12	13.26	4481.43
Computers	683.38	73.73	(0.02)	0.08	–	39.49	717.68	520.59	70.76	–	0.11	–	39.35	552.11	–	165.57
Office equipment	332.57	32.37	0.06	0.28	0.42	12.65	352.21	264.76	33.13	0.06	0.28	0.24	12.55	285.44	–	66.77
Furniture and fixtures	167.02	13.72	(0.01)	0.08	0.23	10.36	170.22	124.84	11.97	(0.01)	0.09	0.02	10.17	126.70	0.06	43.46
Vehicles	266.93	26.39	0.02	0.27	–	30.52	263.09	164.15	26.40	–	0.27	–	23.63	167.19	–	95.90
Other assets																
Ships	323.51	17.98	–	–	–	–	341.49	113.43	20.95	–	–	–	–	134.38	–	207.11
Dredged Channel	679.69	–	–	–	–	–	679.69	325.91	29.54	–	–	–	–	355.45	–	324.24
Breakwater Structures	226.00	–	–	–	–	–	226.00	46.47	5.01	–	–	–	–	51.48	–	174.52
Aircraft	195.22	–	–	–	–	–	195.22	68.82	10.48	–	–	–	–	79.30	–	115.92
Leasehold Improvements	12.81	–	–	–	12.81	–	–	2.63	2.13	–	–	4.76	–	–	–	–
Sub-total	1437.23	17.98	–	–	12.81	–	1442.40	557.26	68.11	–	–	4.76	–	620.61	–	821.79
Total	17943.24	1721.43	4.65	2.04	73.58	231.87	19365.91	8635.16	1711.27	(8.99)	2.07	28.09	201.30	10110.16	100.67	9155.12
Add: Capital work-in-progress	1397.04	840.71	(0.27)	–	–	1120.15	1117.33	–	–	–	–	–	–	–	–	1117.33
																10272.45

* Transfer within property, plant and equipment and Transfer (to) / from investment property/inventories

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [2]

Property, Plant and Equipment & Capital work-in-progress *(contd.)*

a) Additions during the year and capital work-in-progress include ₹ 87.78 crore (previous year ₹ 55.23 Crore) being borrowing cost capitalised in accordance with Accounting Standard (Ind AS) 23 on "Borrowing Costs".

b) The rate used to determine the amount of borrowing costs eligible for capitalisation is 6.86% (previous year: 7.30%).

c) Owned assets given on operating lease have been presented separately under respective class of assets as "Leased out" pursuant to Ind AS 116 "Leases".

d) Out of its leasehold land at Hazira, the Company has given certain portion of land for the use to its subsidiary company and the lease deed is under execution.

e) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets.

a. Estimated useful life of the following assets is in line with useful life prescribed in schedule II of the Companies Act, 2013:

Sr. No.	Asset class	Minimum useful life (in years)	Maximum useful life (in years)
1.	Buildings	3	60
2.	Plant and equipment	8	15
3.	Computer	3	6
4.	Office equipment	4	5
5.	Furniture & fixture	10	10
6.	Vehicles	8	10
7.	Ships	14	14

b. Estimated useful life of following assets is different than useful life as prescribed in schedule II of the Companies Act, 2013.

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Aircrafts	–	20	18
2.	Vehicles	Motor cars	8	7

A Assets used in Heavy Engineering Business (Hi-Tech Manufacturing segment):

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Plant & equipment	Boring/Rolling/Drilling/Milling machines	15	10 – 15
		Modular furnace	15	5 - 15
		Other furnaces	15	5 - 30
		Horizontal autoclaves	15	10 - 30
		Load bearing structures	15	50
		Cranes	15	10 - 30
2.	Roads	Carpeted roads-other than RCC	5	5 - 15

In addition to above:

Assets deployed at projects are considered as project - specific, hence the same are depreciated over the project tenure.

B Assets used in Precision Engineering (a part of Hi-Tech Manufacturing segment):

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Buildings	Factory buildings	30	2 – 60 *
		Non-Factory buildings	3 – 60	2 – 60 *
2.	Plant & Equipment	General	8 - 15	5 – 30 *
		Air Conditioner & Refrigerator	12	2 – 12 #
		Electrical installation	10	2 – 20 * #
3.	Office Equipment		4 – 5	4 – 12 #
4.	Furniture & Fixture		10	10 – 20 *
5.	Vehicles	Motor cars (Including Electrical vehicle and bicycles)	8	7 - 14

* Assets which are project specific are depreciated over the project tenure.

The useful life is based on Technical estimates.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [2]

Property, Plant and Equipment & Capital work-in-progress *(contd.)*

C Assets used in Infrastructure business:

Sr. No.	Category of assets	Sub-category of assets	Useful life as per Schedule II (in years)	Useful life adopted (in years)
1.	Plant & Machinery	Concreting, Crushing, Piling and Road Making Equipment	12	5 – 12
2.	Plant & Machinery	Heavy lift equipments – Cranes	15 – 20	10 – 20
3.	Plant & Machinery	Transmission Line, Tunneling Equipments	10	9 – 12
4.	Plant & Machinery	Earth-Moving Equipments	9	5 – 9
5.	Plant & Machinery	Others including Material Handling, Pipeline, welding equipment	12	4 – 12
6.	Office equipment	Assets deployed at project site	5	3
7.	Air conditioning and refrigeration equipment	Assets deployed at project site	15	3
8.	Canteen equipment	Assets deployed at project site	15	3
9.	Laboratory equipment	Assets deployed at project site	10	3
10.	Photographic equipment	Assets deployed at project site	15	3
11.	Computers	Assets deployed at project site	3 – 6	3

In addition to above:

1. Plants and equipment which are project specific and deployed at project sites, with useful life of 10 years as per Schedule II, are depreciated over the project duration of 2-3 years.
2. Any asset purchased for project site with acquisition value less than ₹ 50000 for above categories of assets (except computers), full cost is depreciated in the same financial year.

D Assets used in Hydrocarbon business (a part of Energy segment):

Category	Sub class	Useful life as per Schedule II (in years)	Useful life adopted (in years)
Buildings	Office building	60	5-60
	Housing colony	50	
Ships		20	15-25
Software	Specialized software	6	2-6
Plant and equipment	Crane 250 Tonnes	12	20
	Jetty construction	12	30
	Land development	12	30
	Minor Plant & Machinery	12	2-15
	Tunnelling and transmission line Equipments	10	2-15
	Cranes < 100 tons & Heavy lift Equipment	15	2-15
	Road making equipment, Crushing Equipment	15	2-15
	Piling, welding and pipeline Equipment	15	2-15
	Earth-moving equipment	15	2-15
Computers	Laptop/Deskop	3	3-6
	Servers & Storage & Network switches & Routers	6	
Office equipments	Fax/Printers/Scanner (MFD), Desktop inkjet/ LaserJet printers, Switchers audio video & Projectors	4	3-6
	Other office equipments	5	3-6

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [2]

Property, Plant and Equipment & Capital work-in-progress *(contd.)*

Category	Sub class	Useful life as per Schedule II (in years)	Useful life adopted (in years)
	Water cooler	5	3-6
	Assets deployed at project sites	5	3-6
Air-condition and Refrigeration	Assets deployed at office Assets deployed at project sites	12	3-12
Canteen equipments	Assets deployed at office Assets deployed at project sites	8	8
Photographic equipments	Assets deployed at office Assets deployed at project sites	15	3
Laboratory equipments	Assets deployed at office Assets deployed at project sites	15	8-12
Electrical installations	HT/LT ELECTRIC SUB-STATION IN MFF II	10	6-22
	Others	10	3-6
Furniture and Fixtures	Assets deployed at office	10	2-10
Vehicles	Buses & Trucks	8	5-10
	Cars	7	5-10
	Jeeps	7	5-10
	Motorcycles	10	5-10

(i) Assets with acquisition value less than ₹ 5000/- will be depreciated fully during the FY

(ii) P&M & Office equipment at project sites costing below ₹ 50000/- will be depreciated fully during the FY

E. Assets used in Shipbuilding Business: (a part of Precision Engineering System under the Hi-Tech Manufacturing segment):

S. No	Category of Assets	Sub-category of Assets		Useful life as per Schedule II (in years)	Useful life adopted based on technical evaluation (in years)
1	Marine structures – Breakwater	(a)	Breakwater & Rock Bund	30*	50
2	Shiplift/Dredged channel	(a)	Ship lift structures, Control system, Chiller units, Condition monitoring system, Ship position system, Ship transfer system	15*	20
		(b)	Land berth and piled platforms	30*	40
		(c)	Tower cranes	15	25
3	Plant & Machinery	(a)	Rails	15	20
		(b)	Diesel Generator	15	12
		(c)	Air-Conditioner & refrigeration	15	12
4	Buildings	(a)	Production shops	30	50
		(b)	Internal roads	5	15

*Represents license period as per agreement executed with the Tamil Nadu Maritime Board, renewable on expiry.

f) Ageing of Capital work-in-progress ₹ crore

Particulars	As at 31-3-2026					As at 31-3-2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	804.65	355.25	173.49	106.42	1439.81	719.54	247.22	49.83	100.74	1117.33

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [2]

Property, Plant and Equipment & Capital work-in-progress *(contd.)*

g) Title deeds of Immovable Properties not held in name of the Company.

Description of property	Gross carrying value as at March 31, 2026 (₹ crore)	Carrying value in the financial statements as at March 31, 2026 (₹ crore)	Title deeds held in name of	Whether title deed holder is a promoter, director or their relative or employee	Property held since which date.	Reason for not being held in name of Company
Freehold Land-Hazira West	1.01	1.01	Heirs of Magan Prema and Magan Kuber*	No	14 years (Since 2012)	Land acquired from farmers through Government Acquisition Route. The formalities are pending from the authorities side.

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

h) Carrying value of Property, plant and equipment hypothecated as collateral for certain borrowings and / or commitments as at March 31, 2026 - NIL (as at March 31, 2025: NIL)

NOTE [3]

Investment Property

₹ crore

Class of assets	Cost						Depreciation						Book Value
	As at 1-4-2025	Additions	Transfer*	Classified as held for sale	Deductions	As at 31-03-2026	Up to 31-3-2025	For the year	Transfer*	Classified as held for sale	Deductions	Up to 31-03-2026	As at 31-03-2026
Land	176.93	1.42	(0.72)	–	–	177.63	0.11	0.01	–	–	–	0.12	177.51
Buildings	685.54	310.41	0.30	–	–	996.25	121.02	27.10	0.07	–	–	148.19	848.06
Total	862.47	311.83	(0.42)	–	–	1173.88	121.13	27.11	0.07	–	–	148.31	1025.57
Add : Investment property under construction	565.82	367.97	–	5.34	374.92	553.53	–	–	–	–	–	–	553.53
													1579.10

* Transfer (to)/from Property, plant and equipment/Inventory

₹ crore

Class of assets	Cost						Depreciation						Book Value
	As at 1-4-2024	Additions	Transfer*	Classified as held for sale	Deductions	As at 31-3-2025	Up to 31-3-2024	For the year	Transfer*	Classified as held for sale	Deductions	Up to 31-3-2025	As at 31-3-2025
Land	198.26	1.22	(22.33)	0.22	–	176.93	0.10	0.01	–	–	–	0.11	176.82
Buildings	483.54	302.57	17.80	117.91	0.46	685.54	113.77	21.80	8.18	22.28	0.45	121.02	564.52
Total	681.80	303.79	(4.53)	118.13	0.46	862.47	113.87	21.81	8.18	22.28	0.45	121.13	741.34
Add : Investment property under construction	593.33	419.31	–	16.10	430.72	565.82	–	–	–	–	–	–	565.82
													1307.16

* Transfer (to)/from Property, plant and equipment/Inventory

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [3]

Investment Property *(contd.)*

(a) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Sr. No	Class of assets	Minimum useful life (in years)	Maximum useful life (in years)
1.	Buildings	3	60

(b) Disclosure pursuant to Ind AS 40 "Investment Property"

(i) Amount recognised in the Statement of Profit and Loss for investment property:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
1	Rental income derived from investment property	218.15	159.49
2	Direct operating expenses pertaining from investment property that generated rental income	57.58	40.89
3	Direct operating expenses pertaining from investment property that did not generate rental income	1.02	–

(ii) Details with respect to fair valuation of Investment property:

₹ crore

Particulars	2025-26	2024-25
Fair valuation by:		
(i) independent registered valuers[1]	187.49	3140.77
(ii) independent unregistered valuers[1]	–	17.38
(iii) internal architectural department	5097.49	1832.72
Total fair value	5284.98	4990.87

[1] Independent valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules,2017

Note: Above valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

(iii) Ageing of Investment property under construction

₹ crore

Particulars	As at 31-3-2026					As at 31-3-2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	428.75	122.70	2.08	–	553.53	275.73	166.85	87.62	35.62	565.82

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

NOTE [4]

Goodwill

₹ crore

Class of assets	Cost		Impairment	Book value
	As at 1-4-2025	Business combination	As at 31-3-2026	As at 31-3-2026
Goodwill [1]	121.86	–	–	121.86

Class of assets	Cost		Impairment	Book value
	As at 1-4-2024	Business combination	As at 31-3-2025	As at 31-3-2025
Goodwill [1]	121.86	–	–	121.86

[1] The above goodwill is attributed to Energy Hydrocarbon business (a part of Energy project segment)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [4] ***(contd.)***

Other Intangible assets & Intangible assets under development

₹ crore

Class of assets	Cost					Amortisation					Book Value
	As at 1-4-2025	Additions	Classified as Held for Sale	Deductions	As at 31-3-2026	Up to 31-3-2025	For the year	Classified as Held for Sale	Deductions	Up to 31-3-2026	As at 31-3-2026
Intangible assets											
Specialised Softwares	331.87	51.96	0.56	15.91	367.36	281.57	18.43	0.47	10.62	288.91	78.45
Technical know-how	135.53	29.61	–	–	165.14	132.80	2.91	–	–	135.71	29.43
New Product Design and Development	6.26	–	–	–	6.26	6.26	–	–	–	6.26	–
Platforms and Courses	145.36	13.20	95.62	3.57	59.37	90.44	32.57	71.46	2.76	48.79	10.58
Sub total	619.02	94.77	96.18	19.48	598.13	511.07	53.91	71.93	13.38	479.67	118.46
Add: Intangible assets under development	21.76	28.58	–	18.87	31.47	–	–	–	–	–	31.47
											149.93

₹ crore

Class of assets	Cost				Amortisation				Book Value
	As at 1-4-2024	Additions	Deductions	As at 31-3-2025	Up to 31-3-2024	For the year	Deductions	Up to 31-3-2025	As at 31-3-2025
Intangible assets									
Specialised Softwares	315.20	20.32	3.65	331.87	265.68	19.53	3.64	281.57	50.30
Technical know-how	135.53	–	–	135.53	108.72	24.08	–	132.80	2.73
New Product Design and Development	6.26	–	–	6.26	6.26	–	–	6.26	–
Platforms and Courses	134.40	12.81	1.85	145.36	58.31	33.35	1.22	90.44	54.92
Sub total	591.39	33.13	5.50	619.02	438.97	76.96	4.86	511.07	107.95
Add: Intangible assets under development	26.63	17.27	22.14	21.76	–	–	–	–	21.76
									129.71

(a) Additions during the year

₹ crore

Class of assets	FY 2025-26			FY 2024-25		
	Internal development	Acquired - external	Total	Internal development	Acquired - external	Total
Specialised Software	7.02	44.94	51.96	–	20.32	20.32
Technical Knowhow	–	29.61	29.61	–	–	–
Platforms and Courses	13.15	0.05	13.20	12.07	0.74	12.81
Total	20.17	74.60	94.77	12.07	21.06	33.13

(b) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets:

Sr. No	Class of assets	Minimum useful life (in years)	Maximum useful life (in years)
1.	Specialised Software	2	8
2.	Technical Knowhow	5	8
3.	Platforms and Courses	3	4

(c) Ageing of Intangible assets under development

₹ crore

Particulars	As at 31-3-2026					As at 31-3-2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	29.84	1.04	0.20	0.39	31.47	15.29	5.67	0.80	-	21.76

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [5]

Non-current Assets:Financial Assets- Investments

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Investments in :		
(a) Subsidiary companies	24970.95	31064.57
(b) Associate companies	1292.81	1084.72
(c) Joint venture companies	512.46	607.15
(d) Other companies	217.69	97.44
	26993.91	32853.88

Details of Non-current Assets: Financial Assets - Investments

Particulars	Number of units			
	Face value per unit	As at 31-3-2026	As at 31-3-2026	As at 31-3-2025
	₹		₹ crore	₹ crore
Investments in:				
(a) Subsidiary companies:				
(i) Investments in fully paid equity instruments:				
LTM Limited (formerly known as LTIMindtree Limited) (quoted)	1	203,169,279	9,675.98	9,675.98
L&T Technology Services Limited (quoted)	2	77,986,899	805.25	805.25
L&T Finance Limited (quoted)	10	1,652,530,125	6,146.42	6,146.42
L&T Metro Rail (Hyderabad) Limited [1]	10	7,412,999,999	–	7,412.99
L&T Power Development Limited	10	2,289,663,205	2,289.66	2,289.66
L&T Realty Properties Limited	10	2,362,229,846	2,353.16	1,394.91
L&T Realty Developers Limited	10	167,160,700	107.72	107.72
L&T Valves Limited	100	1,800,000	161.23	161.23
Bhilai Power Supply Company Limited	10	49,950	0.05	0.05
Hi-Tech Rock Products & Aggregates Limited	10	26,550,000	26.55	26.55
L&T Aviation Services Private Limited	10	45,600,000	45.60	45.60
L&T Capital Company Limited	10	50,000	0.05	0.05
L&T Hydrocarbon Saudi Company LLC [₹ 130.39 (previous year: ₹ 130.39)]	SAR 1000	1,000	0.00	0.00
L&T Energy Green Tech Limited	10	492,051,164	492.05	245.05
L&T Electromech LLC [₹ 171.70 (previous year: ₹ 171.70)]	OMR 1	210,000	0.00	0.00
L&T Heavy Engineering LLC [₹ 183.89 (previous year: ₹ 183.89]	OMR 1	3,965,500	0.00	0.00
L&T Modular Fabrication Yard LLC [₹ 171.70 (previous year: ₹ 171.70)]	OMR 1	2,019,230	0.00	0.00
L&T Kuwait Construction General Contracting Company WLL [₹ 66.04 (previous year: ₹ 66.04)]	KWD 1000	980	0.00	0.00
Larsen & Toubro Arabia LLC	SAR 1000	7,500	11.08	11.08
L&T Geostructure Private Limited	10	24,750,000	318.50	318.50
L&T Construction Equipment Limited	10	199,142,091	22.27	22.27
Larsen & Toubro (Saudi Arabia) LLC	SAR 1000	625	1.05	1.05
L&T Network Services Private Limited	10	25,000,000	25.00	18.00
PT Larsen & Toubro	IDR 1000000	25,700	16.46	16.46
Corporate Park (Powai) Private Limited	10	200,326,000	200.33	200.33
Business Park (Powai) Private Limited	10	286,534,370	286.53	188.03
L&T Global Holdings Limited	USD 100	80,000	53.16	53.16
L&T Semiconductor Technologies Limited	10	85,900,000	859.00	186.03
L&T Special Steels and Heavy Forgings Private Limited [Net of provision ₹ 419.28 crore (previous year provision ₹ 419.28 crore)]	10	566,600,000	–	–
Sufin Limited	100	5,505,000	55.05	–
L&T Offshore Marine Private Limited (formerly known as L&T Sapura Shipping Private Limited) [2]	10	236,853,083	369.85	–
		–	24,322.00	29,326.37

Notes forming part of the Standalone Financial Statements (contd.)

Particulars	Number of units			
	Face value per unit	As at 31-3-2026	As at 31-3-2026	As at 31-3-2025
	₹		₹ crore	₹ crore
(ii) Preference share considered equity as per terms:				
L&T Realty Properties Limited-10% Non-cumulative, optionally convertible redeemable preference shares, March 30, 2027.	2	–	–	826.00
L&T Realty Properties Limited-10% Non-cumulative, optionally convertible redeemable preference shares, May 12, 2027	2	–	–	48.00
L&T Realty Properties Limited-10% Non-cumulative, optionally convertible redeemable preference shares, July 14, 2027	2	–	–	42.25
L&T Realty Properties Limited-10% Non-cumulative, optionally convertible redeemable preference shares, September 3, 2027	2	–	–	42.00
L&T Realty Developers Limited - 12% Non-cumulative optionally convertible redeemable at par preference shares, May 26, 2030.	10	648,300,000	648.30	648.30
L&T Semiconductor Technologies Limited - 7.5% Non-cumulative optionally convertible redeemable at par preference shares, August 20, 2044.	10	–	–	131.00
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2035 [Net of provision ₹ 78.33 crore (previous year provision ₹ 78.33 crore)]	10	210,000,000	–	–
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2036 [Net of provision ₹ 97.91 crore (previous year provision ₹ 97.91 crore)]	10	240,000,000	–	–
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2037 [Net of provision ₹ 84.41 crore (previous year provision ₹ 84.41 crore)]	10	192,000,000	–	–
			648.30	1737.55
(iii) Other deemed equity investments:				
L&T Aviation Services Private Limited			0.65	0.65
			0.65	0.65
(iv) Preference shares considered as fair value of debt portion:				
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2035 [Net of provision ₹ 77.77 crore (previous year provision ₹ 77.77 crore)]	10	210,000,000	–	–
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2036 [Net of provision ₹ 79.12 crore (previous year provision ₹ 79.12 crore)]	10	240,000,000	–	–
L&T Special Steels & Heavy Forgings Private Limited - 6% Cumulative, non-convertible redeemable at par preference shares, December 8, 2037 [Net of provision ₹ 56.28 crore (previous year provision ₹ 56.28 crore)]	10	192,000,000	–	–
			–	–
Total - (a) = (i)+(ii)+(iii)+(iv)			24970.95	31064.57
(b) Associate companies:				
Gujarat Leather Industries Limited [Net of provision ₹ 0.56 crore (previous year provision ₹ 0.56 crore)]	10	735,000	–	–
Magtorq Private Limited	100	9,000	4.42	4.42
E2E Networks Limited (quoted)	10	3,793,329	1288.39	1080.30
			1292.81	1084.72

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [5]

Details of Non-current Assets: Financial Assets - Investments *(contd.)*

Particulars	Face value per unit	Number of units As at 31-3-2026	As at 31-3-2026	As at 31-3-2025
	₹		₹ crore	₹ crore
(c) Joint Venture companies:				
(i) Investments in fully paid equity instruments:				
L&T Howden Private Limited	10	15,030,000	15.03	15.03
L&T Offshore Marine Private Limited (formerly known as L&T Sapura Shipping Private Limited) [2]	10		–	95.31
L&T - MHI Power Boilers Private Limited	10	119,391,000	119.39	119.39
L&T - MHI Power Turbine Generators Private Limited	10	362,406,000	362.41	362.41
L&T-Sargent & Lundy Limited	10	2,782,736	0.82	0.82
Raykal Aluminum Company Private Limited	10	37,750	0.04	0.04
L&T MBDA Missile Systems Limited	10	510,000	0.51	0.51
GH4India Private Limited	10	1,000,000	1.00	1.00
			499.20	594.51
(ii) Other deemed equity investments:				
L&T - MHI Power Boilers Private Limited			2.24	2.24
L&T - MHI Power Turbine Generators Private Limited			11.02	10.40
			13.26	12.64
Total - (c) = (i)+(ii)			512.46	607.15
(d) Other companies:				
International Seaport Dredging Limited [Net of provision ₹ 15.90 crore (previous year provision ₹ 15.90 crore)]	10000	15,899	–	–
BBT Elevated Road Private Limited	10	100,000	0.10	0.10
Utmal Multi purpose Service Co-operative Society Limited [₹ 30,000 (previous year: ₹ 30,000)]	100	300	0.00	0.00
Tidel Park Limited [FVTPL]	10	4,000,000	101.31	90.43
VP Global Fibre and Yarns Private Limited [₹ 13,600 (previous year: ₹ 13,600)]	100	136	0.00	0.00
New Vision Wind Power Private Limited [₹ 29,190 (previous year: ₹ 29,190)]	10	2,919	0.00	0.00
The New India Assurance Company Limited [FVTPL] (quoted)	10	428,884	5.05	6.91
Kalyan Halol-Shamlaji Tollway Limited [Net of provision ₹ 1000 (previous year ₹ 1000)]	10	100	–	–
Epic Concesiones 3 Limited -Series 1 Compulsorily Convertible Preference Shares, maturity 10 years- January 11, 2033 (Bonus shares)	10	25,500	–	–
Epic Concesiones 3 Limited -Series 3 Compulsorily Convertible Preference Shares, maturity 10 years- January 11, 2033 (Bonus shares)	10	25,500	–	–
Indian Foundation for Quality Management [charged off]	10	25,000,000	–	–
Ather Energy Limited [FVTPL] (quoted)	1	1,475,214	111.23	–
			217.69	97.44
Total - (A) =(a)+(b)+(c)+(d)			26993.91	32853.88

Details of quoted / unquoted investments:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
(a) Aggregate amount of quoted investments and market value thereof;		
Book Value	17980.96	17725.78
Market Value	146515.99	152337.70
(b) Aggregate amount of unquoted investments;		
Book Value	9012.95	15128.10
(c) Aggregate amount of Impairment in value of investments	909.56	909.56

[1] Refer Note 59(i)

[2] Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f. January 21, 2026 due to purchase of balance stake

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [6]

Non-current Assets: Financials Assets - Loans

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Unsecured loan and advances to related parties:				
Subsidiary companies, considered good		808.62		508.47
Subsidiary companies, considered doubtful	1270.45		1270.45	
Less:Allowance for expected credit loss	1270.45		1270.45	
		–		–
Joint venture companies, considered good		–		218.12
Unsecured other loans, considered good		0.07		0.08
		808.69		726.67

NOTE [7]

Non current Assets: Financial Assets - Others

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Unsecured security deposits, considered good:	228.49		204.42	
Less: Allowance for expected credit loss	36.74		34.92	
		191.75		169.50
Fixed deposits with banks (maturity more than 12 months)		7.31		-
Cash and bank balances not available for immediate use [refer Note 7(a)]		240.77		131.07
Forward contract receivables		178.29		136.35
Embedded derivative receivables		155.36		41.55
Premium receivable on financial guarantee contracts		53.46		8.55
Other receivables [1]		0.62		489.00
		827.56		976.02

[1] As at 31-3-2025 : mainly includes receivables towards litigation matters

Notes forming part of the Standalone Financial Statements (contd.)

Note 7(a)

Particulars of cash and bank balances not available for immediate use

₹ crore

Sr. No.	Particulars	As at 31-3-2026	As at 31-3-2025
1	Amount received (including interest accrued thereon) from customers of property development business – to be handed over to housing society on its formation.	34.27	32.29
2	Contingency deposit (including interest accrued thereon) received from customers of property development business towards their sales tax liability - to be refunded/ adjusted depending on the outcome of the legal case.	20.05	18.96
3	Other bank balances (including interest accrued thereon) not available for immediate use being security offered for bids submitted, loans availed, acquisition etc.	577.21	552.32
	Total	631.53	603.57
	Less: Amount reflected under Current Assets [refer Note 13]	390.76	472.50
	Amount reflected under other financial assets - non-current [refer Note 7]	240.77	131.07

NOTE [8]

Other non-current assets

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Capital advances:		
Secured	4.50	4.75
Unsecured	106.14	381.14
Advance recoverable other than in cash [1]	1384.50	1452.41
	1495.14	1838.30

[1] Mainly includes Indirect Tax balances

NOTE [9]

Current Assets: Inventories

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Raw materials [includes goods-in-transit ₹ 5.74 crore (previous year: ₹ 0.66 crore)]	332.67	380.51
Components [includes goods-in-transit ₹ 5.52 crore (previous year: ₹ 4.79 crore)]	222.83	195.41
Construction materials [includes goods-in-transit ₹ 40.08 crore (previous year: ₹ 30.45 crore)]	92.00	49.72
Manufacturing work-in-progress	428.88	200.50
Finished goods [includes goods-in-transit ₹ 6.29 crore (previous year: ₹ 0.66 crore)]	16.13	2.64
Stock-in-trade [includes goods-in-transit ₹ 32.40 crore (previous year: ₹ 88.08 crore)]	491.42	470.16
Stores and spares [includes goods-in-transit ₹ 8.14 crore (previous year: ₹ 5.95 crore)]	158.29	156.78
Loose tools	4.96	6.75
Property development related work-in-progress	1737.17	1671.85
Property development project - completed property	206.57	264.45
	3690.92	3398.77

Note: During the year net income of ₹ 1.22 crore was recognised towards reversal of write down of inventory (previous year: net expense of ₹ 4.22 crore was recognised towards write down of inventory)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [10]

Current Assets: Financial Assets - investments

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
(A) Government and trust securities		6661.55		6694.36
(B) Debentures and bonds				
(i) Subsidiary companies	443.63		1084.77	
(ii) Other debentures & bonds	10537.04		6940.87	
		10980.67		8025.64
(C) Mutual funds		2202.55		5159.07
(D) Commercial paper		587.79		417.20
(E) Certificate of deposits		2602.57		458.63
(F) Preference shares		–		53.02
(G) InvITs		6577.43		3980.37
		29612.56		24788.29

Details of current investments in Subsidiary companies

Particulars	Number of units			
	Face value per unit	As at 31-3-2026	As at 31-3-2026	As at 31-3-2025
	₹		₹ crore	₹ crore
Debentures and Bonds (quoted):				
Subsidiary companies:				
7.95% L&T Finance Limited NCD July 28, 2025	1,000,000		–	111.04
6.68% L&T Metro Rail (Hyderabad) Limited SR C 30 NCD April 30, 2027	1,000,000	4,220	443.63	180.61
6.37% L&T Metro Rail (Hyderabad) Ltd. April 30, 2025	1,000,000		–	793.12
Total			443.63	1084.77

Details of quoted / unquoted investments:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
(a) Aggregate amount of quoted current investments and market value thereof;		
Book Value	24219.65	18700.37
Market Value	24219.65	18700.37
(b) Aggregate amount of unquoted current investments;		
Book Value (Accounted based on NAV)	2202.55	5159.07
Book Value	3190.36	928.85

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [11]

Current Assets: Financial Assets - Trade receivables

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Unsecured, considered good	49817.06		42676.67	
Less: Allowance for expected credit loss [refer Note 41(c)]	4486.76		4346.49	
		45330.30		38330.18
Credit Impaired	147.91		191.18	
Less: Allowance for expected credit loss [refer Note 41(c)]	147.91		191.18	
		–		–
		45330.30		38330.18

Note: No trade receivables are due from directors or other officers of the company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member.

(a) Current assets: Financial assets - Trade receivables ageing

₹ crore

Particulars	As at 31-3-2026						
	Outstanding for the following periods from the due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:							
- Considered good	27446.31	10494.48	2296.44	2653.84	2683.58	2695.44	48270.09
- Credit impaired	–	–	–	–	0.20	17.21	17.41
Disputed:							
- Considered good	101.53	–	–	499.97	210.50	734.97	1546.97
- Credit impaired	–	–	–	–	–	130.50	130.50
Gross trade receivables	27547.84	10494.48	2296.44	3153.81	2894.28	3578.12	49964.97
Less: Allowance for expected credit loss							4634.67
Total							45330.30

₹ crore

Particulars	As at 31-3-2025						
	Outstanding for the following periods from the due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:							
- Considered good	21599.89	10027.74	2437.71	3983.84	1045.93	2640.63	41735.74
- Credit impaired	–	–	–	0.20	2.52	23.96	26.68
Disputed:							
- Considered good	107.73	–	13.10	45.97	60.48	713.65	940.93
- Credit impaired	–	–	–	–	–	164.50	164.50
Gross trade receivables	21707.62	10027.74	2450.81	4030.01	1108.93	3542.74	42867.85
Less: Allowance for expected credit loss							4537.67
Total							38330.18

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [12]

Current Assets : Financials Assets - Cash and cash equivalents

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Balance with banks	3261.49	2147.90
Cheques and draft on hand	1676.95	281.67
Cash on hand	2.94	3.17
Fixed deposits with banks (maturity less than 3 months)	1210.87	1150.81
	6152.25	3583.55

NOTE [13]

Current Assets: Financials Assets - Other bank balances

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Fixed deposits with banks (maturity more than 3 months but less than 12 months)	546.94	150.07
Earmarked balances with banks-unclaimed dividend	143.77	137.78
Earmarked balances with banks-Section 4(2)(1)(D) of RERA[1]	310.60	2.71
Cash and bank balances not available for immediate use [refer Note 7(a)]	390.76	472.50
	1392.07	763.06

[1] Real Estate (Regulation and Development) Act, 2016

NOTE [14]

Current Assets : Financials Assets - Loans

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Unsecured loans and advances to related parties:		
Subsidiary companies, considered good	352.71	634.72
Associate/Joint venture companies, considered good	–	0.30
	352.71	635.02

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [15]

Current Assets : Financial Assets - Others

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Unsecured security deposits, considered good	523.89		528.70	
Less: Allowance for expected credit loss	0.76		0.76	
		523.13		527.94
Receivable from related parties:				
Subsidiary companies	924.50		1312.49	
Less: Allowance for expected credit loss	1.12		7.15	
		923.38		1305.34
Joint venture companies	165.71		106.27	
Less: Allowance for expected credit loss	0.89		0.88	
		164.82		105.39
Other recoverable [1]		1078.59		1069.54
Premium receivable on financial guarantee contracts		16.92		16.35
Forward contract receivable		1942.91		485.75
Embedded derivative receivable		734.86		264.81
Doubtful advances:				
Deferred credit sale of ships	–		27.11	
Other loans and advances	179.22		181.89	
	179.22		209.00	
Less: Allowance for expected credit loss	179.22		209.00	
		–		–
		5384.61		3775.12

[1] Mainly includes receivables from joint operators and other parties

NOTE [16]

Other current assets

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Contract Assets [refer Note 41(c) and 41(d)(i)]				
Unbilled Revenue	42964.65		36972.49	
Less: Allowance for expected credit loss	2462.09		1953.84	
		40502.56		35018.65
Retention money	14014.44		13626.31	
Less: Allowance for expected credit loss	55.53		72.01	
		13958.91		13554.30
Advance recoverable other than in cash [1]	11914.38		8550.05	
Less: Allowance for expected credit loss	0.99		0.99	
		11913.39		8549.06
Government grants receivable		21.87		19.12
		66396.73		57141.13

[1] Mainly includes Indirect Tax balances

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [17]

Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at 31-3-2026		As at 31-3-2025	
	Number of shares	₹ crore	Number of shares	₹ crore
Authorised:				
Equity shares of ₹ 2 each	40,37,25,00,000	8074.50	40,37,25,00,000	8074.50
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2 each	1,37,56,32,190	275.13	1,37,51,92,165	275.04

(b) Reconciliation of the number of equity shares and share capital:

Particulars	As at 31-3-2026		As at 31-3-2025	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,37,51,92,165	275.04	1,37,46,68,619	274.93
Add: Shares issued on exercise of employee stock options during the year	4,40,025	0.09	5,23,546	0.11
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,37,56,32,190	275.13	1,37,51,92,165	275.04

(c) Terms/rights attached to equity shares:

The Company has only one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

(d) Shareholders holding more than 5% of equity shares as at the end of the year: -

Name of the shareholders	As at 31-3-2026		As at 31-3-2025	
	Number of shares	Shareholding %	Number of shares	Shareholding %
L&T Employees Trust	19,86,79,507	14.44%	19,48,87,516	14.17%
Life Insurance Corporation of India	17,03,27,420	12.38%	18,01,42,821	13.10%

Note: The Company's Promoter shareholding is Nil as at 31-3-2026 (previous year: Nil)

(e) Shares reserved for issue under options outstanding on un-issued share capital:

Particulars	As at 31-3-2026		As at 31-3-2025	
	Number of equity shares to be issued as fully paid	₹ crore (at face value)	Number of equity shares to be issued as fully paid	₹ crore (at face value)
Employee stock options granted and outstanding [1]	6,19,584	0.12 [2]	10,77,384	0.22 [2]

[1] Note 17 (i) infra for terms of employee stock option schemes

[2] The equity shares will be issued at a premium of ₹ 9.19 crore (previous year: ₹ 17.34 crore)

(f) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2026 are NIL (previous period of five years ended March 31, 2025: NIL)

(g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding last five years ended on March 31, 2026 – NIL (previous period of five years ended March 31, 2025: NIL)

(h) The aggregate number of fully paid up equity shares bought back in immediately preceding five years ended March 31, 2026 are 3,12,50,000 shares (previous period of five years ended March 31, 2025: 3,12,50,000 shares)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [17]

Equity share capital *(contd.)*

(i) Stock option schemes

i. Terms:

A. The grant of options to the employees under the stock option schemes is on the basis of their performance and other eligibility criteria. Under Series 2003(B) and 2006(B), options vest equally over a 4 years period and vesting period is 5 years for series 2006(A), subject to the discretion of the management and fulfillment of certain conditions.

B. Options can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of issue of equity shares. Management has discretion to modify the exercise period.

ii. The details of the grants under the aforesaid schemes are summarized below:

Sr. No.	Series reference	2003(B)		2006(A)		2006(B)	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
1	Grant price	₹ 7.80	₹ 7.80	₹ 267.10	₹ 267.10	₹ 267.10	₹ 267.10
2	Grant dates	23-5-2003 onwards		1-7-2007 onwards		08-07-2023 onwards	
3	Vesting commences on	23-5-2004 onwards		1-7-2008 onwards		08-07-2024 onwards	
4	Options granted and outstanding at the beginning of the year	4,32,914	6,08,486	2,76,330	5,47,652	3,68,140	4,73,060
5	Options lapsed	5,040	6,837	13,440	26,235	13,595	8,800
6	Options granted	14,300	11,108	-	-	-	2,496
7	Options exercised	1,63,197	1,79,843	1,59,763	2,45,087	1,17,065	98,616
8	Options granted and outstanding at the end of the year, of which	2,78,977	4,32,914	1,03,127	2,76,330	2,37,480	3,68,140
	Options vested	16,232	18,519	43,794	1,49,744	16,250	19,249
	Options yet to vest	2,62,745	4,14,395	59,333	1,26,586	2,21,230	3,48,891
9	Weighted average remaining contractual life of options (in years)	4.31	5.02	1.66	2.35	4.32	5.31

iii. The number and weighted average exercise price of stock options are as follows:

Particulars	2025-26		2024-25	
	No. of stock options	Weighted average exercise price (₹)	No. of stock options	Weighted average exercise price (₹)
(A) Options granted and outstanding at the beginning of the year	10,77,384	162.91	16,29,198	170.25
(B) Options granted	14,300	7.80	13,604	55.38
(C) Options allotted	4,40,025	170.93	5,23,546	178.03
(D) Options lapsed	32,075	226.36	41,872	224.76
(E) Options granted and outstanding at the end of the year	6,19,584	150.35	10,77,384	162.91
(F) Options exercisable at the end of the year out of (E) supra	76,276	211.92	1,87,512	241.49

iv. Weighted average share price at the date of exercise for stock options exercised during the year is ₹ 3453.74 (previous year: ₹ 3493.67) per share.

v. A. In respect of stock options granted pursuant to the Company's stock options schemes, the fair value of the options is treated as discount and accounted as employee compensation over the vesting period.

B. Expense on Employee Stock Option Schemes debited to the Statement of Profit and Loss during 2025-26 is ₹ 42.40 crore (previous year: ₹ 83.83 crore) [Note 34]. The entire amount pertains to equity-settled employee share-based payment plans. The expenses includes ₹ Nil (previous year: ₹ 0.04 crore) charged by subsidiary company towards the stock options granted to Company's employees.

vi. During the year, the Company has recovered ₹ 1.51 crore (previous year: ₹ 2.94 crore) from its subsidiary companies towards the stock options granted to their employees, pursuant to the employee stock option schemes.

vii. Weighted average fair values of options granted during the year is ₹ 3224.82 (previous year: ₹ 3205.92) per option.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [17]

Equity share capital *(contd.)*

viii. The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Sr. No.	Particulars	2025-26	2024-25
(i)	Weighted average risk-free interest rate	5.89%	6.78%
(ii)	Weighted average expected life of options	2.84 Years	2.91 Years
(iii)	Weighted average expected volatility	21.01%	21.64%
(iv)	Weighted average expected dividends over the life of the option	₹ 96.47 per option	₹ 81.38 per option
(v)	Weighted average share price	₹ 3311.53 per option	₹ 3317.04 per option
(vi)	Weighted average exercise price	₹ 7.80 per option	₹ 55.38 per option
(vii)	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company's share price applicable to the total expected life of each option.	

ix. The balance in share options (net) account as at March 31, 2026 is ₹ 102.77 crore (previous year: ₹ 133.10 crore), including ₹ 10.78 crore (previous year: ₹ 19.28 crore) for which the options have been vested to employees as at March 31, 2026.

(j) Capital Management:

The Company continues its policy of a conservative capital structure which has ensured that it retains the highest credit rating even amidst an adverse economic environment. Low gearing levels also enable the Company to navigate business challenges on one hand and raise growth capital on the other. This policy also provides flexibility of fund-raising options for future, which is especially important in times of global economic volatility. The gross debt equity ratio is 0.16:1 as at March 31, 2026 (as at March 31, 2025 0.31:1).

During the year ended March 31, 2026, the Company paid the final dividend of ₹ 34 per equity share for the year ended March 31, 2025 amounting to ₹ 4676.22 crore.

The Board of directors, at their meeting held on May 5, 2026 recommended the final dividend of ₹ 38 per equity share for the year ended March 31, 2026 subject to approval from shareholders. On approval, the total dividend outgo is expected to be ₹ 5227.40 crore based on number of shares outstanding as at March 31, 2026.

NOTE [18]

Other equity

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Capital reserve [1]		10.84		10.84
Capital reserve on business combination [2]		(25.77)		(25.77)
Capital redemption reserve [3]		266.25		266.25
Securities premium [refer Note 1(ii)(p)]		220.05		138.43
Employee share options (net) [refer Note 1(ii)(r)]				
Employee share options outstanding	128.43		197.46	
Deferred employee compensation expense	(25.66)		(64.36)	
		102.77		133.10
Debenture redemption reserve [4]		–		–
General reserve [5]		22718.85		22717.25
Retained earnings		49347.93		47883.05
Foreign currency translation reserve [refer Note 1(ii)(s)(iv)]		(103.72)		(38.31)
Hedging reserve [refer Note 1(ii)(m)(iii)]				
Cash flow hedging reserve	1785.51		192.11	
Cost of hedging reserve	108.16		138.38	
		1893.67		330.49
Debt instruments through other comprehensive income [refer Note 1(ii)(m)(i)]		(173.10)		205.47
		74257.77		71620.80

[1] Capital reserve: It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the company for business amalgamation transactions in earlier years.

[2] Capital reserve on business combination: It arises on transfer of business between entities under common control. It represents the difference, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [18]

Other equity *(contd.)*

[3] Capital redemption reserve: Created on: (a) Buyback of equity shares out of free reserves and securities premium in accordance with Section 69 of the Companies Act, 2013 (b) Redemption of preference shares out of profits in accordance with Section 55(2)(c) of the Companies Act, 2013.

[4] Debenture redemption reserve (DRR): The Ministry of Corporate Affairs vide notification dated August 16, 2019, amended the Companies (Share capital and Debenture) Rules, 2014 by which the Company is no longer required to create DRR towards the debentures issued. Earlier to this amendment, the Company was required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis and the amounts credited to the DRR was not to be utilised by the Company except to redeem debentures. The above amount represents the DRR created out of profits of the Company prior to the said notification.

[5] General reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act,1956 where in certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the company.

NOTE [19]

Non-current liabilities: Financial Liabilities - Borrowings

₹ crore

Particulars	As at 31-3-2026			As at 31-3-2025		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Redeemable non-convertible fixed rate debentures [refer Note 19(a)]	–	9787.67	9787.67	–	9286.00	9286.00
Term loan from banks [refer Note 19(b)]	–	–	–	–	–	–
	–	9787.67	9787.67	–	9286.00	9286.00

19(a) Unsecured redeemable non-convertible fixed rate debentures (privately placed):

Sr. No.	Face value per debenture (₹)	Date of allotment	As at 31-3-2026 ₹ crore	As at 31-3-2025 ₹ crore	Interest for the year 2025-26	Terms of repayment for debentures outstanding as on 31-3-2026
1.	1,00,000	Jan 22,2025	4046.54	4045.64	7.20% p.a. payable annually	Redeemable at face value at the end of 10th year from the date of allotment
2.	1,00,000	Dec 5,2024	1531.71	1531.38	7.19% p.a. payable annually	Redeemable at face value at the end of 10th year from the date of allotment.
3.	2,50,000	April 25,2022	483.82	483.72	8.00% p.a. payable annually	Redeemable at face value at the end of 8th year from the date of allotment.
4.	2,50,000	April 23,2023	483.82	483.72	8.00% p.a. payable annually	Redeemable at face value at the end of 7th year from the date of allotment.
5.	2,50,000	April 23,2021	483.82	483.72	8.00% p.a. payable annually	Redeemable at face value at the end of 9th year from the date of allotment.
6.	2,50,000	April 23,2020	483.82	483.72	8.00% p.a. payable annually	Redeemable at face value at the end of 10th year from the date of allotment.
7.	1,00,000	March 28, 2023	2141.73	2141.10	7.725% p.a. payable annually	Redeemable at face value at the end of 5th year from the date of allotment.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [19]

Non-current liabilities: Financial Liabilities - Borrowings *(contd.)*

Sr. No.	Face value per debenture (₹)	Date of allotment	As at 31-3-2026 ₹ crore	As at 31-3-2025 ₹ crore	Interest for the year 2025-26	Terms of repayment for debentures outstanding as on 31-3-2026
8.	1,00,000	June 19,2025	524.61	–	6.35% p.a. payable annually	Redeemable at face value at the end of 3rd year from the date of allotment
9.	1,00,000	November 9, 2023	–	2059.57	7.66% p.a. payable annually	
10.	1,00,000	November 2, 2023	–	1603.99	7.58% p.a. payable annually	
11.	10,00,000	April 28,2020	–	2677.91	7.70% p.a. payable annually	
Total			10179.87	15994.50		
Less:			392.20	6708.50	Current maturity of long-term borrowings [refer Note 24]	
			9787.67	9286.00	Non-current borrowings [refer Note 19]	

19(b) Details of term Loans (Unsecured):

Sr. No.	As at 31-3-2026 ₹ crore	As at 31-3-2025 ₹ crore	Rate of Interest for the year 2025-26	Terms of repayment of term loan outstanding as on 31-3-2026
1	–	914.62	USD SOFR + Spread [1]	
2	–	1282.18	USD SOFR + Spread [1]	
Total	–	2196.80		
Less:	–	2196.80	Current maturity of long-term borrowings [refer Note 24]	

[1] Represents unsecured term loans obtained in foreign currency.

NOTE [20]

Non-current liabilities: Other financial liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Forward contract payables	168.28	33.87
Embedded derivative payables	–	50.83
Financial guarantee contracts	53.86	9.11
Due to others (mainly includes liabilities towards capital goods)	69.87	49.26
	292.01	143.07

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [21]

Non-current liabilities: Provisions

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Employee pension scheme	360.33	371.37
Post-retirement medical benefits plan	408.99	394.35
	769.32	765.72

NOTE [22]

Other non-current liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Other Payables (Deferred income on fair valuation of financial instrument)	22.02	18.47
	22.02	18.47

NOTE [23]

Current liabilities: Financial Liabilities-Borrowings

₹ crore

Particulars	As at 31-3-2026			As at 31-3-2025		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Loans repayable on demand from banks	–	0.67	0.67	–	2.13	2.13
Short term loan and advances from banks	–	723.88	723.88	–	690.89	690.89
Commercial paper	–	–	–	–	1492.50	1492.50
Loans from related parties:						
Subsidiary companies	–	825.05	825.05	–	456.70	456.70
Joint venture companies	–	43.86	43.86	–	1.28	1.28
Collateralized borrowing and lending obligation	–	–	–	1100.08	–	1100.08
	–	1593.46	1593.46	1100.08	2643.50	3743.58

23(a) Loans guaranteed by directors Nil (previous year: Nil)

23(b) The Company has fund based and non-fund based facilities (viz. bank guarantees, letter of credits and derivatives) from banks. These facilities are secured by hypothecation of inventories and trade receivables. Amount of inventories and trade receivables that are pledged as collateral to the extent of: ₹ 6741 crore as at March 31, 2026 (March 31,2025: ₹ 6932 crore)

23(c) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The quarterly returns filed by the Company with such banks or financial institutions are in agreement with the Books of Account of the Company of the respective quarters.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [24]

Current liabilities: Financial liabilities - Current maturities of long term borrowings

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Unsecured:		
Redeemable non-convertible fixed rate debentures [refer Note 19(a)]	392.20	6708.50
Term loans from banks [refer Note 19(b)]	–	2196.80
	392.20	8905.30

24(a) Loans guaranteed by directors ₹ Nil (previous year: ₹ Nil)

NOTE [25]

Current liabilities: Financial liabilities - Other trade Payables

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Due to related parties:				
Subsidiary companies	1909.33		1616.19	
Associate companies	11.72		13.97	
Joint venture companies	1657.50		740.16	
		3578.55		2370.32
Due to others including Supplier Finance Arrangement [Note 43(d)]		44037.21		35255.51
		47615.76		37625.83

25(a) Current liabilities: Financial liabilities - Trade payables ageing

₹ crore

Particulars	As at 31-3-2026						
	Unbilled Dues	Not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises							
Disputed	–	–	–	–	–	–	–
Undisputed	90.32	1298.59	117.10	7.83	4.36	6.55	1524.75
Total	90.32	1298.59	117.10	7.83	4.36	6.55	1524.75
Others							
Disputed	–	1.77	0.28	0.85	–	–	2.90
Undisputed	22247.89	18009.55	5528.10	547.48	327.58	952.26	47612.86
Total	22247.89	18011.32	5528.38	548.33	327.58	952.26	47615.76

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [25]

[a] Current liabilities: Financial liabilities - Trade payables ageing *(contd.)*

₹ crore

Particulars	As at 31-3-2025						
	Unbilled Dues	Not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises							
Disputed	–	–	–	–	–	–	–
Undisputed	63.37	993.29	95.64	6.20	2.19	9.47	1170.16
Total	63.37	993.29	95.64	6.20	2.19	9.47	1170.16
Others							
Disputed	0.52	2.60	–	–	–	0.10	3.22
Undisputed	12754.87	18415.93	4951.11	473.94	146.31	880.45	37622.61
Total	12755.39	18418.53	4951.11	473.94	146.31	880.55	37625.83

NOTE [26]

Current liabilities - Other financial liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Unclaimed dividend	143.77	137.78
Forward contract payable	1400.90	303.02
Embedded derivative payable	14.01	27.50
Financial guarantee contracts	17.53	16.82
Due to others [1][2]	3600.86	2965.08
	5177.07	3450.20

[1] Due to others include due to directors ₹ 227.66 crore (previous year ₹ 136.71 crore)

[2] Mainly includes liability towards employee benefits and capital goods

NOTE [27]

Other current Liabilities

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Contract liabilities [refer Note 41(d)(i)]				
Excess of billing over revenue	23558.41		17832.67	
Advances from customers	31858.49		23491.91	
		55416.90		41324.58
Liabilities towards joint operations		780.79		412.38
Liabilities towards employee benefits		1544.25		382.37
Other payables [1]		2932.33		2644.80
		60674.27		44764.13

[1] Mainly includes liabilities towards statutory dues.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [28]

Current liabilities - Provisions

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Provision for employee benefits:				
Gratuity [refer Note 45(ii)(a)]	209.04		128.29	
Compensated absences	825.87		722.78	
Employee pension scheme [refer Note 45(ii)(a)]	31.91		31.26	
Post-retirement medical benefits plan [refer Note 45(ii)(a)]	19.88		19.11	
		1086.70		901.44
Other Provisions [refer Note 50(a)]		1615.79		1496.79
		2702.49		2398.23

NOTE [29]

Contingent Liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
(a) Claims against the Company not acknowledged as debts	9186.77	4522.82
(b) Sales tax/GST liability that may arise in respect of matters in appeal	7173.26	5444.96
(c) Excise duty/service tax/customs duty liability that may arise in respect of matters in appeal / challenged by the Company in WRIT	659.83	471.52
(d) Income tax liability that may arise in respect of which the Company is in appeal	2968.30	2874.20
(e) Corporate guarantees given for financial obligations of Subsidiary companies/joint venture companies	8825.10	8827.67
(f) Corporate and bank guarantees for performance obligations of Subsidiary companies/joint venture companies	110893.28	114248.77
(g) Share in contingent liabilities of joint operations for which the Company is contingently liable	141.15	153.79
(h) Contingent liabilities in respect of liabilities of other joint operators of joint operations	6899.36	5055.57
(i) Indemnities for performance given on behalf of third parties	8.17	9.65

Notes :

(1) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(2) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) to (d) above pending resolution of the arbitration / appellate proceedings. Further, the liability mentioned in (a) to (d) above includes interest in cases where the Company has determined that the possibility of such levy is remote.

(3) In respect of matters at (e), the cash outflows, if any, could generally occur up to two years, being the period over which the validity of the guarantees extends except in a few cases where the cash outflows, if any, could occur any time during the subsistence of the borrowing to which the guarantees relate.

(4) In respect of matters at (f), the cash outflows, if any, could generally occur up to five years, being the period over which the validity of the guarantees extends.

(5) In respect of matters at (g) and (h), the cash outflows, if any, could generally occur up to completion of projects undertaken by the respective joint operations.

(6) In respect of matters at (i), the cash outflows, if any, is fully reimbursable by the third party under an agreement entered in to with them.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [30]

Commitments

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
(a) Estimated amount of contracts remaining to be executed on capital account (net of advances) on:				
(i) Property, plant and equipment	1380.39		1118.76	
(ii) Investment property	259.31		439.54	
(iii) Intangible assets	8.75		7.12	
		1648.45		1565.42
(b) Funding committed by way of equity/loans to subsidiary companies		–		127.78
(c) Purchase of additional stake in associate company		–		327.75

NOTE [31]

Revenue from operations

₹ crore

Particulars	2025-26		2024-25	
Sales and service:				
Construction and project related activity	142748.06		132540.75	
Manufacturing and trading activity	4396.93		4115.19	
Property development activity	1300.13		1075.32	
Engineering and service fees	1318.81		1568.07	
Servicing	2487.84		1740.09	
Commission	152.41		147.73	
		152404.18		141187.15
Other operational income:				
Net gain/(loss) on sale of investment properties	43.34		373.35	
Lease rentals	199.43		149.97	
Income from services to Group companies	159.58		124.28	
Premium earned (net) on related forward exchange contracts	213.20		43.36	
Miscellaneous Income	660.44		630.90	
		1275.99		1321.86
		153680.17		142509.01

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [32]

Other income

₹ crore

Particulars	2025-26		2024-25	
Interest income:				
Subsidiary, joint venture and associate companies	220.21		148.80	
Others	1760.02		1241.26	
		1980.23		1390.06
Dividend income:				
Subsidiary companies	3367.92		2930.46	
Associate Companies	0.41		–	
Joint venture companies	35.06		27.27	
Others	38.35		19.54	
		3441.74		2977.27
Net gain/(loss) on fair valuation of investments	555.23		317.44	
Net gain/(loss) on sale of investments	500.79		139.76	
		1056.02		457.20
Net gain/loss on derivatives at fair value through profit or loss		(38.42)		26.94
Net gain/(loss) on sale of property, plant and equipment		26.42		34.35
Lease rentals		52.62		48.84
Miscellaneous income (net of expenses)		839.84		734.55
		7358.45		5669.21

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [33]

Manufacturing, construction and operating expenses

₹ crore

Particulars	2025-26		2024-25	
Cost of raw materials and components consumed:				
Raw materials and components	19950.07		15409.16	
Less : Scrap sales	145.12		189.26	
		19804.95		15219.90
Construction materials consumed		45669.73		45457.97
Purchase of stock-in-trade		1250.49		1409.90
Stores, spares and loose tools consumed		2581.14		3060.70
Sub-contracting charges		39966.86		35741.21
Changes in inventories of finished goods, work-in-progress and stock-in-trade and property development :				
Closing stock:				
Finished goods	16.13		2.64	
Stock-in-trade	491.57		470.16	
Work-in-progress	8541.88		8715.83	
	9049.58		9188.63	
Less : Opening stock:				
Finished goods	2.64		0.87	
Stock-in-trade	470.16		228.30	
Work-in-progress	8715.83		10048.69	
	9188.63		10277.86	
		139.05		1089.23
Other manufacturing, construction and operating expenses:				
Power and fuel	1993.01		2181.21	
Royalty and technical know-how fees	44.02		87.27	
Packing and forwarding	1189.93		794.28	
Rent hire charges	5090.29		4525.54	
Engineering, professional, technical and consultancy fees	3510.15		2635.04	
Insurance	590.88		761.14	
Rates and taxes	607.39		664.86	
Travelling and conveyance	1197.64		1082.67	
Repairs to plant and equipment	121.82		127.69	
Repairs to buildings	18.86		70.80	
General repairs and maintenance	938.48		828.71	
Bank guarantee charges	427.40		338.57	
Provision/reversal of provision for onerous construction contracts	(74.35)		(66.72)	
Other provisions/(reversal of provisions)	99.06		78.63	
Miscellaneous expenses	843.13		566.72	
		16597.71		14676.41
		126009.93		116655.32

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [34]

Employee benefits expense

₹ crore

Particulars	2025-26		2024-25	
Salaries, wages and bonus		10277.17		9326.93
Contribution to and provision for:				
Provident funds and pension fund	251.43		220.55	
Superannuation/employee pension schemes	46.97		32.04	
Gratuity funds [refer Note [45(ii)(b)]	190.80		96.12	
		489.20		348.71
Expenses on employees stock option schemes		42.40		83.83
Insurance expenses-medical and others		205.41		167.33
Staff welfare expenses		852.87		753.92
Recoveries on account of deputation		(264.16)		(300.64)
		11602.89		10380.08

NOTE [35]

Sales, administration and other expenses

₹ crore

Particulars	2025-26		2024-25	
Power and fuel		78.58		81.68
Packing and forwarding		63.01		53.06
Professional fees		744.47		650.81
Audit fees [Refer Note 61]		7.71		10.83
Insurance		65.35		70.41
Rent & hire charges		141.04		123.01
Rates and taxes		87.52		124.70
Travelling and conveyance		456.78		388.90
Repairs to buildings		31.09		35.16
General repairs and maintenance		356.11		321.75
Directors' fees		1.22		0.88
Telephone, postage and telegrams		135.22		115.36
Advertising and publicity		110.01		100.27
Stationery and printing		55.40		50.60
Commission		31.88		24.67
Bank charges		82.60		86.55
Miscellaneous expenses		724.75		644.00
Bad debts and advances written off(net of written back)	589.43		520.55	
Less: Allowance for expected credit loss written back	382.95		499.52	
		206.48		21.03
Corporate social responsibility [Refer Note 60]		175.79		164.61
Allowance for expected credit loss (net)		892.28		946.66
Exchange (gain)/loss (net)		(875.89)		(50.42)
Provision/(reversal of provision) on investments in joint venture		–		(1622.03)
Loss on divestment of equity shares in joint venture		–		1622.88
Other provisions/(reversal of provisions)		(0.55)		(12.96)
Recoveries from subsidiary and associates		(68.82)		(67.04)
		3502.03		3885.36

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [36]

Finance costs

₹ crore

Particulars	2025-26	2024-25
Interest expenses	1673.52	2191.93
Exchange loss	1.90	3.53
	1675.42	2195.46

NOTE [37]

Depreciation, amortisation, impairment and obsolescence

₹ crore

Particulars	2025-26		2024-25	
Depreciation on:				
Property plant and equipment	1631.60		1711.27	
Investment property	27.11		21.81	
		1658.71		1733.08
Amortisation of:				
Intangible assets	53.91		76.96	
Right-of-use assets	255.56		136.69	
		309.47		213.65
Obsolescence on property, plant and equipment		17.22		16.29
		1985.40		1963.02

NOTE [38]

Aggregation of expenses disclosed vide Note 33 -Manufacturing ,construction and operating expenses ,Note 34 -Employee benefits expense and Note 35 - Sales, administration and other expenses.

₹ crore

Sr. No.	Nature of expenses	2025-26				2024-25			
		Note 33	Note 34	Note 35	Total	Note 33	Note 34	Note 35	Total
1	Power and fuel	1993.01	–	78.58	2071.59	2181.21	–	81.68	2262.89
2	Packing and forwarding	1189.93	–	63.01	1252.94	794.28	–	53.06	847.34
3	Insurance	590.88	205.41	65.35	861.64	761.14	167.33	70.41	998.88
4	Rent hire charges	5090.29	–	141.04	5231.33	4525.54	–	123.01	4648.55
5	Rates and taxes	607.39	–	87.52	694.91	664.86	–	124.70	789.56
6	Travelling and conveyance	1197.64	–	456.78	1654.42	1082.67	–	388.90	1471.57
7	Repairs to buildings	18.86	–	31.09	49.95	70.80	–	35.16	105.96
8	General repairs and maintenance	938.48	–	356.11	1294.59	828.71	–	321.75	1150.46
9	Miscellaneous expenses	843.13	–	724.75	1567.88	566.72	–	644.00	1210.72

NOTE [39]

Disclosure pursuant to Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations":

Assets and liabilities held for sale as at March 31, 2026 includes:

(i) Investment of ₹ 1400.00 crore (net of impairment provision ₹ 6013.00 crore) in L&T Metro Rail (Hyderabad) Limited (HMRPL), SPV primarily engaged in the development, operation, and maintenance of Hyderabad metro project, including transit-oriented development (refer Note 59).

(ii) Assets of ₹ 72.12 crore (mainly includes property, plant and equipment and Indirect Tax balances) and liabilities of ₹ 31.42 crore (mainly includes employee benefit liability) of Carved-out Business of SuFin business unit of the Company. The transfer of Carved-out Business to SuFin Limited, a wholly owned subsidiary of the Company via slump sale. The transfer has been concluded on April 1, 2026, for a total consideration of ₹ 42.00 crore (subject to post-closing adjustments). These assets and liabilities form part of Digital Platform business which is reported under "Others" segment (refer Note 40).

(iii) Building and plant & equipment of ₹ 126.99 crore situated at Faridabad, Haryana. The asset forms part of Realty business which is reported under "Others" segment (refer Note 40).

Assets held for sale as at March 31, 2025, includes mainly building and plant & equipment of ₹ 157.44 crore situated at Faridabad, Haryana. The asset forms part of Realty Business which is reported under "Others" segment.

Considering the above previous year number are not comparable with current year.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [40]

Disclosure pursuant to Ind AS 108 "Operating Segment"

(a) Information about reportable segments:

₹ crore

Particulars	For the year ended 31-3-2026			For the year ended 31-3-2025		
	External	Inter-segment	Total	External	Inter-segment	Total
Revenue						
Infrastructure Projects	106638.26	804.36	107442.62	104095.78	1004.58	105100.36
Energy Projects	28520.18	10.70	28530.88	24028.12	14.84	24042.96
Hi-Tech Manufacturing	13894.34	85.11	13979.45	9810.34	302.52	10112.86
Others	4627.39	59.88	4687.27	4574.77	49.52	4624.29
Sub-total	153680.17	960.05	154640.22	142509.01	1371.46	143880.47
Inter-segment revenue	–	(960.05)	(960.05)	–	(1371.46)	(1371.46)
Total	153680.17	–	153680.17	142509.01	–	142509.01
Segment result [Profit/(loss) before interest and tax]						
Infrastructure Projects			5685.73			5058.60
Energy Projects			2776.98			2768.92
Hi-Tech Manufacturing			1979.17			1470.40
Others			1025.90			1024.81
Total			11467.78			10322.73
Inter-segment margins on capital jobs			(48.71)			(44.48)
Unallocable corporate income net of expenditure			6519.30			5016.19
Finance costs			(1675.42)			(2195.46)
Exceptional items [gain/(loss)]			(7121.73)			474.78
Profit before tax			9141.22			13573.76
Current tax			(2866.39)			(2849.97)
Deferred tax			12.30			146.93
Net profit after tax			6287.13			10870.72

Particulars	Segment Assets		Segment Liabilities	
	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
Infrastructure Projects	88371.68	80847.03	71456.36	59255.57
Energy Projects	24662.13	17120.03	28332.78	15469.62
Hi-Tech Manufacturing	16486.13	12544.05	13233.24	11189.90
Others	9180.05	8911.73	4700.62	3999.46
Total	138699.99	119422.84	117723.00	89914.55
Unallocable corporate assets/liabilities	70364.77	68232.79	16808.86	25845.24
Inter-segment assets/liabilities	(926.52)	(1239.28)	(926.52)	(1239.28)
Total assets/liabilities	208138.24	186416.35	133605.34	114520.51

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [40]

Disclosure pursuant to Ind AS 108 "Operating Segment" *(contd.)*

₹ crore

Particulars	Depreciation, amortisation, impairment & obsolescence included in segment expenses [1]		Other non-cash expenses included in segment expense		Finance cost included in segment expense		Interest income included in segment income		Additions to non-current assets [2]	
	For the year ended 31-3-2026	For the year ended 31-3-2025	For the year ended 31-3-2026	For the year ended 31-3-2025	For the year ended 31-3-2026	For the year ended 31-3-2025	For the year ended 31-3-2026	For the year ended 31-3-2025	For the year ended 31-3-2026	For the year ended 31-3-2025
Infrastructure Projects	1305.48	1377.51	19.88	42.41	173.13	150.91	30.04	25.97	1063.65	960.64
Energy Projects	210.29	163.07	6.70	12.67	–	–	–	–	677.06	232.76
Hi-Tech Manufacturing	219.59	215.12	2.87	7.92	–	–	–	–	273.70	193.18
Others	148.81	99.86	2.29	4.66	–	–	–	–	850.54	549.11
Total	1884.17	1855.56	31.74	67.66	173.13	150.91	30.04	25.97	2864.95	1935.69
Unallocated corporate	101.23	107.46	10.66	16.17	(173.13)	(150.91)	(30.04)	(25.97)	451.08	444.42
Inter-segment	–	–	–	–	–	–	–	–	(986.58)	(95.03)
Total	1985.40	1963.02	42.40	83.83	–	–	–	–	2329.45	2285.08

[1] There is no impairment/reversal of impairment in non-financial assets of the operating segments.

[2] Additions to Non-current assets is towards capital expenditure on Property, plant & equipment, Capital work-in-progress, Investment property including under construction, Goodwill, Other intangible assets including under development and capital advances

(b) Geographical information

₹ crore

Particulars	Revenue by location of project	
	For the year ended 31-3-2026	For the year ended 31-3-2025
India (i)	103069.84	101677.83
Foreign countries:		
Kingdom of Saudi Arabia	25625.08	22844.94
Qatar	7885.30	4039.95
United Arab Emirates	7728.83	6181.72
Kuwait	1982.33	1381.96
Bangladesh	438.40	1188.69
Other Countries	6950.39	5193.92
Total foreign countries (ii)	50610.33	40831.18
Total (i+ii)	153680.17	142509.01

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [40]

Disclosure pursuant to Ind AS 108 "Operating Segment" *(contd.)*

Particulars	Non-current Assets*	
	As at 31-3-2026	As at 31-3-2025
India (i)	17847.16	17387.28
Foreign countries (ii)	600.89	355.25
Total (i+ii)	18448.05	17742.53

* Non-current assets excludes financial assets and deferred tax assets

(c) Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Company's total revenue.

(d) The identification of operating segments is consistent with performance assessment and resource allocation by the management

(e) Basis of identifying operating segments, reportable segments, segment profit and definition of each reportable segment:

(i) Basis of identifying Operating segments

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's executive management to make decisions about resource allocation and performance assessment; and (c) for which discrete financial information is available

The Company has four reportable segments as described under "segment composition" below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements.

(ii) Reportable segments

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

(iii) Segment profit

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the corporate executive management

(iv) The Segment Composition: -

- **Infrastructure Projects segment** comprises engineering and construction of (a) building and factories, (b) transportation infrastructure, (c) heavy civil infrastructure, (d) power transmission & distribution, (e) renewables, (f) water & effluent treatment and (g) minerals and metals
- **Energy Projects segment** comprises of (a) Hydrocarbon onshore and offshore businesses covering EPC solutions in oil & gas, refineries, petrochemicals & offshore wind energy sectors, from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning, (b) CarbonLite Solutions business covering BTG scope for power generation plants including associated systems and/or carbon capture utilisation & utility packages and (c) EPC solutions in clean energy space
- **Hi-Tech Manufacturing segment** comprises design, manufacture/construct, supply and revamp/retrofit of (a) custom designed, engineered critical equipment & systems to the process plant and nuclear energy (b) marine and land platforms including related equipment & systems; aerospace products & systems; precision and electronic products & systems for the defence, security, space and industrial sectors.
- **Others segment** includes (a) realty, (b) smart infrastructure & communication projects, (c) construction equipment & industrial product design development compromising of (i) marketing and servicing of construction equipment, mining machinery and parts thereof, (ii) manufacture and sale of rubber processing machinery and (d) ecommerce/digital platforms & data centres.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [41]

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"

(a) Disaggregation of revenue into Operating Segments and Geographical areas

i. For the year ended March 31, 2026:

₹ crore

Segment	Revenue as per Ind AS 115			Other Revenue	Total as per Statement of Profit and Loss/ Segment reporting
	Domestic	Foreign	Total		
Infrastructure Projects	73096.80	33135.65	106232.45	405.81	106638.26
Energy Projects	14055.44	14428.06	28483.50	36.68	28520.18
Hi-Tech Manufacturing	11067.85	2797.29	13865.14	29.20	13894.34
Others	4208.31	184.94	4393.25	234.14	4627.39
Total	102428.40	50545.94	152974.34	705.83	153680.17

ii. For the year ended March 31, 2025:

₹ crore

Segment	Revenue as per Ind AS 115			Other Revenue	Total as per Statement of Profit and Loss/ Segment reporting
	Domestic	Foreign	Total		
Infrastructure Projects	75315.00	28427.51	103742.51	353.27	104095.78
Energy Projects	13903.64	10030.81	23934.45	93.66	24028.12
Hi-Tech Manufacturing	7597.66	2199.36	9797.02	13.32	9810.34
Others	3901.41	157.57	4058.99	515.79	4574.77
Total	100717.71	40815.25	141532.97	976.04	142509.01

(b) Out of the total revenue recognised under Ind AS 115 during the year, ₹ 145665.57 crore (previous year: ₹ 134820.26 crore) is recognised over a period of time and ₹ 7308.77 crore (previous year: ₹ 6712.71 crore) is recognised at a point in time.

(c) Movement in Expected Credit Loss during the year:

₹ crore

Particulars	Provision on Trade Receivables		Provision on Contract Assets	
	2025-26	2024-25	2025-26	2024-25
Balance as at April 1	4537.67	4148.80	2025.85	1957.61
Changes in loss allowance for expected credit loss:				
Provision/(reversal) of allowance for expected credit loss	449.22	580.16	489.56	70.70
Provision/(reversal) of allowance for expected credit loss over and above matrix	(6.75)	308.23	2.21	(2.45)
Written off as bad debts	(345.47)	(499.52)	–	–
Balance as at March 31	4634.67	4537.67	2517.62	2025.85

(d) Contract balances:

i. Movement in contract balances during the year.

₹ crore

Particulars	2025-26			2024-25		
	Contract Assets	Contract Liabilities	Net contract balances	Contract Assets	Contract Liabilities	Net contract balances
Opening balance as at April 1	48572.95	41324.58	7248.37	49777.02	36471.26	13305.76
Closing balance as at March 31	54461.47	55416.90	(955.43)	48572.95	41324.58	7248.37
Net increase/(decrease)	5888.52	14092.32	(8203.80)	(1204.07)	4853.32	(6057.39)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [41]

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers" *(contd.)*

i. Decrease in net contract balances is primarily due to higher progress bills raised as compared revenue recognition in both the years.

ii. Revenue recognised from opening balance of contract liabilities amounts to ₹ 15418.41 crore (previous year: ₹ 16338.48 crore)

iii. Revenue recognised from the performance obligation satisfied (or partially satisfied) upto previous year (arising out of contract modifications) amounts to ₹ 1427.72 crore (previous year: ₹ 175.16 crore)

(e) Cost to obtain the contract:

i. Amortisation in Statement of Profit and Loss: Nil (previous year: Nil)

ii. Recognised as contract assets at March 31, 2026: Nil (previous year: Nil)

(f) Reconciliation of contracted price with revenue during the year:

₹ crore

Particulars	2025-26	2024-25
Opening contracted price of orders as at start of the year[1]	1079268.57	907170.03
Add:		
Fresh orders/change orders received (net)	247444.85	220427.85
Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction (net)	33864.26	12657.38
Increase/(decrease) due to exchange rate movements (net)	20821.86	2781.85
Less:		
Orders completed during the year	84532.66	63768.54
Closing contracted price of orders as at the end of the year[1]	1296866.88	1079268.57
Total Revenue recognised during the year :	152974.34	141532.97
a. Revenue out of orders completed during the year	11205.86	8905.29
b. Revenue out of orders under execution at the end of the year (I)	141768.48	132627.68
Revenue recognised upto previous year (from orders pending completion at the end of the year) (II)	541588.69	481660.53
Increase/(decrease) due to exchange rate movements (III)	703.73	295.08
Balance revenue to be recognised in future viz. Order book (IV)	612805.98	464685.28
Closing contracted price of orders as at the end of the year[1] (I+II+III+IV)	1296866.88	1079268.57

[1] including full value of partially executed contracts.

(g) Order book and Time for its expected conversion into Revenue: ₹ crore

Order book	Total	Time for expected conversion to Revenue					
		Upto 1 Year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Beyond 5 years
As at March 31, 2026	612805.98	220830.42	188571.53	121922.18	43338.32	25066.63	13076.89
As at March 31, 2025	464685.28	193540.66	138200.60	75355.61	35337.76	16209.56	6041.09

NOTE [42]

Disclosure pursuant to Ind AS 1 "Presentation of financial statements":

a. Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

₹ crore

Particulars	Note	As at 31-3-2026			As at 31-3-2025		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories	9	2189.48	1501.44	3690.92	2252.46	1146.31	3398.77
Trade receivables	11	45266.79	63.51	45330.30	37314.55	1015.63	38330.18
Loans	14	352.71	–	352.71	635.02	–	635.02
Other financial assets	15	5068.26	316.35	5384.61	3697.70	77.42	3775.12
Other current assets	16	54236.07	12160.66	66396.73	47408.03	9733.10	57141.13
Total		107113.31	14041.96	121155.27	91307.76	11972.46	103280.22

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [42]

Disclosure pursuant to Ind AS 1 "Presentation of financial statements": *(contd.)*

b. Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

₹ crore

Particulars	Note	As at 31-3-2026			As at 31-3-2025		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Trade payables:							
Due to micro enterprises and small enterprises		1502.13	22.62	1524.75	1170.16	–	1170.16
Due to others	25	45483.72	2132.04	47615.76	36896.12	729.71	37625.83
Lease liability		269.85	265.88	535.73	141.01	21.17	162.18
Other financial liabilities	26	5141.01	36.06	5177.07	3421.59	28.61	3450.20
Other current liabilities	27	46068.89	14605.38	60674.27	35939.12	8825.01	44764.13
Provisions	28	2446.39	256.10	2702.49	2217.02	181.21	2398.23
Total		100911.99	17318.08	118230.07	79785.01	9785.71	89570.73

NOTE [43]

(a) Disclosure with regard to changes in liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows":

₹ crore

Sr No.	Particulars	Non-current borrowings (Note 19)	Current borrowings (Note 23)	Current maturities of long term borrowings (Note 24)	Lease Liability	Total
1	Balance as at April 1, 2024	11931.14	4864.65	5744.68	271.14	22811.61
2	Additions to lease liability	–	–	–	234.10	234.10
3	Changes from financing cash flows	5500.00	(1120.48)	(4950.00)	(136.03)	(706.51)
4	Changes on lease termination/lease concessions	–	–	–	(8.12)	(8.12)
5	The effect of changes in foreign exchange rates	(0.01)	–	57.69	0.13	57.82
6	Interest accrued (net of interest paid)	(6.21)	(0.59)	(85.98)	–	(92.78)
7	Other changes (transfer within categories)	(8138.92)	–	8138.92	–	–
8	Classified as Held for sale	–	–	–	(0.85)	(0.85)
9	Balance as at March 31, 2025	9286.00	3743.58	8905.30	360.37	22295.25
10	Additions to lease liability	–	–	–	770.83	770.83
11	Changes from financing cash flows	500.00	(2134.85)	(8254.71)	(235.06)	(10124.62)
12	Changes on lease termination/lease concessions/derecognition	–	–	–	(25.07)	(25.07)
13	The effect of changes in foreign exchange rates	–	6.96	58.00	13.41	78.37
14	Interest accrued (net of interest paid)	1.67	(22.23)	(316.39)	0.16	(336.79)
15	Other changes (transfer within categories)	–	–	–	–	–
16	Balance as at March 31, 2026	9787.67	1593.46	392.20	884.64	12657.97

(b) Amounts reported in statement of cash flows under financing activities:

₹ crore

Particulars	2025-26	2024-25
Proceeds from non-current borrowings	500.00	5500.00
Repayment of non-current borrowings	(8254.71)	(4950.00)
(Repayments)/Proceeds from other borrowings (net)	(2134.85)	(1120.48)
Repayment of lease liability	(235.06)	(136.03)
Total changes from financing cash flows (refer to Sr.No 3 & 11 above)	(10124.62)	(706.51)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [43]

Disclosure with regard to changes in liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows": *(contd.)*

(c) Reconciliation of certain line items from standalone financial statements:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
1.	Finance costs as per Statement of Profit & Loss [Refer Note 36]	1675.42	2195.46
	Less: Interest expense on employee benefits and trade payables (forming part of cash flow from operating activities)	153.66	124.84
	Finance costs as per Statement of Cash Flows	1521.76	2070.62
2.	Interest income as per Statement of Profit & Loss [Refer Note 32]	1980.23	1390.06
	Less: Interest on income tax refund (forming part of cash flow from operating activities)	144.29	21.45
	Interest income as per Statement of Cash Flows	1835.94	1368.61

(d) The Company has entered into certain Supplier Finance Arrangements (SFA) with finance providers during the year. The primary objective of these arrangements is to benefit the suppliers with early payments. The Company doesn't provide any collateral or guarantees to the finance provider.

Carrying Amount of Financial Liabilities:

₹ crore

Particulars	31-3-2026	1-4-2025
(i) Financial liabilities classified under 'Trade Payables'	3251.67	4788.87
(ii) Out of (i), amount received by suppliers from finance providers	3248.66	NA

Payment Terms:

Particulars	31-3-2026
(i) The Financial liabilities that are part of the arrangement	30-180 days
(ii) Comparable trade payable that are not part of the arrangement	30-180 days

The Company has applied transitional relief and accordingly comparative information, wherever applicable, for the above disclosures is not presented in the first year of adoption of the amendment.

NOTE [44]

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ crore

Sr. No.	Particulars	2025-26	2024-25
1.	Profit or Loss section		
	(i) Current Income tax :		
	Current income tax expense	2914.18	2721.81
	Tax expense of earlier years	(47.79)	128.16
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(12.30)	(146.93)
	Income tax expense reported in Profit or Loss [(i)+(ii)]	2854.09	2703.04
2.	Other Comprehensive Income (OCI) Section:		
	(i) Items not to be reclassified to Profit or Loss in subsequent periods:		
	Current tax expense/(income):		
	On remeasurement of defined benefit plans	(49.11)	(67.02)
		(49.11)	(67.02)
	(ii) Items to be reclassified to Profit or Loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On gain/(loss) on cash flow hedges other than mark to market	26.82	(46.65)
	On foreign currency translation of joint operations	(22.00)	(3.92)
		4.82	(50.57)
	(B) Deferred Tax:		
	On mark to market gain/(loss) on cash flow hedges	509.67	88.21
	Net gain/(loss) on cost of hedge reserve	(11.61)	48.10
	Net gain/(loss) fair value of debt securities	(89.84)	60.46
		408.22	196.77
	Income tax expense reported in the OCI section [(i)+(ii)]	363.93	79.18

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [44]

Disclosure pursuant to Ind AS 12 "Income Taxes" *(contd.)*

(b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
(1)	Profit before tax (including exceptional items)	9141.22	13573.76
(2)	Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%
(3)	Tax on Accounting profit (3) = (1) * (2)	2300.66	3416.25
(4)	(i) Tax on expenses not tax deductible:		
	(A) Corporate social responsibility	44.24	41.43
	(B) Tax on employee perquisites borne by the company	4.91	9.34
	(ii) Effect of current tax related to earlier years	(47.79)	128.16
	(iii) Effect of lower tax rate on capital gains	(7.97)	(6.63)
	(iv) Effect of deduction with respect to dividend income	(866.22)	(749.32)
	(v) Effect of DTA not recognised on impairment provision [Refer note 59(i)]	1513.35	-
	(vi) Tax effect on various other items	(87.11)	(136.18)
	Total effect of tax adjustments [(i) to (vi)]	553.43	(713.20)
(5)	Tax expense recognised during the year (5)=(3)+(4)	2854.09	2703.04
(6)	Effective tax Rate (6)=(5)/(1)	31.22%	19.91%

(c) (i) Unused tax losses for which no deferred tax asset (DTA) is recognised in Balance Sheet:

Particulars	As at 31-3-2026			As at 31-3-2025		
	Base Amount (₹ crore)	Deferred Tax (₹ crore)	Expiry date	Base Amount (₹ crore)	Deferred Tax (₹ crore)	Expiry date
Capital loss	5814.34	831.45	FY 2031-32	5,804.13	1327.98	FY 2031-32

(ii) Unrecognised deductible temporary differences for which no deferred tax asset (DTA) is recognised in Balance Sheet

₹ crore

Sr. No.	Particulars	As at 31-3-2026		As at 31-3-2025	
		Base Amount	Deferred Tax	Base Amount	Deferred Tax
1.	Deductible temporary differences towards provision for diminution in value of investments/loans on which DTA not created	8262.72	1328.95	2249.72	469.09
	Total	8262.72	1328.94	2249.72	469.09

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [44]

Disclosure pursuant to Ind AS 12 "Income Taxes" *(contd.)*

(d) Components of deferred tax (assets) and liabilities recognised in the Balance Sheet and Statement of Profit and Loss:

₹ crore

Sr. No.	Particulars	As at 31-3-2025	Charge/(credit) to Statement of Profit and Loss	Charge/ (credit) to Other Comprehensive Income	Debit/(credit) to hedge reserve (other than through OCI)	As at 31-3-2026
1.	Disputed statutory liability claimed on payment basis u/s 43B of the Income Tax Act, 1961	259.17	27.08	–	–	286.25
2.	Items disallowed u/s 43B of Income Tax Act, 1961	(394.26)	(24.24)	–	–	(418.50)
3.	Provision for doubtful debt and advances	(1699.04)	(95.88)	–	–	(1794.92)
4.	Difference in book depreciation and income tax depreciation	16.74	(79.08)	–	–	(62.34)
5.	Gain/(Loss) on derivative transactions	176.87	–	498.06	–	674.93
6.	Other temporary differences	95.83	159.82	(89.84)	–	165.81
	Net deferred tax (assets)/liabilities	(1544.69)	(12.30)	408.22	–	(1148.77)

₹ crore

Sr. No.	Particulars	As at 31-3-2024	Charge/(credit) to Statement of Profit and Loss	Charge/ (credit) to Other Comprehensive Income	Debit/(credit) to hedge reserve (other than through OCI)	As at 31-3-2025
1.	Disputed statutory liability claimed on payment basis u/s 43B of the Income Tax Act, 1961	198.84	60.33	–	–	259.17
2.	Items disallowed u/s 43B of Income Tax Act, 1961	(296.32)	(97.94)	–	–	(394.26)
3.	Provision for doubtful debt and advances	(1556.62)	(142.42)	–	–	(1699.04)
4.	Difference in book depreciation and income tax depreciation	165.13	(148.39)	–	–	16.74
5.	Gain/(Loss) on derivative transactions	40.61	–	136.31	(0.05)	176.87
6.	Deferred tax on capital losses	(67.37)	67.37	–	–	–
7	Other temporary differences	(78.75)	114.12	60.46	–	95.83
	Net deferred tax (assets)/liabilities	(1594.48)	(146.93)	196.77	(0.05)	(1544.69)

(e) Global minimum tax (Pillar Two) :

The Organisation for Economic Co-operation and Development (OECD) has issued the Global Anti-Base Erosion (GloBE) Model Rules for the implementation of a global minimum tax (Pillar Two). The consolidated revenue of the Group falls within the scope of Pillar Two, as it exceeds the revenue threshold prescribed under the OECD framework. Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions in which the Company operates. Based on the assessment performed using the most recent country-by-country reporting data (CbCR) and the financial statements of the Group entities, most of the jurisdictions in which the Company operates qualify under the transitional CbCR Safe Harbour provision. In respect of the balance jurisdictions the Company does not expect a material financial impact from the application of Pillar Two Rules. Overall, based on the current assessment, the Company does not expect the application of Pillar Two rules to have a material financial impact.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

i Defined contribution plans: [Note [1](k)(ii)(A)]: Amount of ₹ 176.80 crore (previous year: ₹ 147.83 crore) is recognized as an expenses.

ii Defined benefit plans: [Note [1](k)(ii)(B)]:

a) The amount recognised in Balance Sheet are as follows:

₹ crore

Particulars		Gratuity plan		Post-retirement medical benefit plan		Company pension plan		Trust-managed provident fund plan	
		As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
A)	Present value of defined benefit obligation								
	-Wholly funded	2361.20	1077.19	–	–	–	–	5344.49	4634.00
	-Wholly unfunded	209.04	128.29	429.20	413.45	392.24	402.63	–	–
		2570.24	1205.48	429.20	413.45	392.24	402.63	5344.49	4634.00
	Less: Fair value of plan assets	1067.19	793.70	–	–	–	–	5251.74	4860.31
	Amount to be recognised as liability/(asset)	1503.05	411.78	429.20	413.45	392.24	402.63	92.75	(226.30) [2]
B)	Amounts reflected in the Balance Sheet:								
	Liabilities	1503.05	411.78	429.20	413.45	392.24	402.63	200.79	40.89
	Assets	–	–	–	–	–	–	–	–
	Net liability/(asset)	1503.05	411.78	429.20	413.45	392.24	402.63	200.79	40.89
	Net liability/(asset) - current	1503.05	411.78	19.88	19.11	31.91	31.26	200.79 [1]	40.89 [1]
	Net liability/(asset) - Non current	–	–	409.32	394.34	360.33	371.37	–	–
	Net liability/(asset) classified as Held for sale	3.67	–	0.33	–	–	–	–	–

[1] Employer's and employee's contribution due towards Provident Fund

[2] Restricted to NIL in terms of para 58 of Ind AS 19

b) The amounts recognised in Statement of Profit and Loss are as follows:

₹ crore

Particulars		Gratuity plan		Post-retirement medical benefit plan		Company pension plan		Trust-managed provident fund plan	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
1	Current service cost	198.37	96.70	15.44	13.97	2.64	2.80	166.49	141.76
2	Interest cost	94.34	54.17	27.06	25.47	25.93	26.36	383.69	346.97
3	Interest income on plan assets	(58.06)	(52.46)	–	–	–	–	(383.69)	(346.97)
4	Actuarial (gains)/losses - others	56.92	232.49	(5.62)	30.70	(9.04)	16.50	152.26	–
5	Actuarial (gains)/losses - difference between actual return on plan assets and interest income	0.62	(13.38)	–	–	–	–	168.36	(38.80)
6	Past service cost	1100.43	(0.68)	–	–	–	4.02	–	–
7	Actuarial gain/(loss) not recognised in books	–	–	–	–	–	–	(168.36)	38.80
	Total (1 to 7)	1392.62	316.84	36.88	70.14	19.53	49.68	318.75	141.76
i	Amount included in "Employee benefits expense"	190.07	96.02	15.44	13.97	2.64	6.82	166.49	141.76
ii	Amount included as part of "Finance cost"	36.28	1.71	27.06	25.47	25.93	26.36	–	–
iii	Amount included as part of "Other comprehensive income"	57.54	219.11	(5.62)	30.70	(9.04)	16.50	152.26	–
iv.	Amount included in "Exceptional items" (Note [59])	1108.73	–	–	–	–	–	–	–
	Total (i+ii+iii+iv)	1392.62	316.84	36.88	70.14	19.53	49.68	318.75	141.76
	Actual return on plan assets	57.44	65.83	–	–	–	–	215.33	385.77

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" *(contd.)*

c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Company pension plan		Trust-managed provident fund plan	
	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
Opening balance of the present value of defined benefit obligation	1205.48	947.56	413.45	363.62	402.63	382.26	4634.00	4258.67
Add: Current service cost	198.37	96.70	15.44	13.97	2.64	2.80	166.49	141.76
Add: Interest cost	94.34	54.17	27.06	25.47	25.93	26.36	383.69	346.97
Add: Contribution by plan participants								
i) Employee	–	–	–	–	–	–	405.70	358.51
ii) Transfer-in/(out)	–	(5.58)	–	–	–	–	102.14	115.90
Add/(less): Actuarial (gains)/losses arising from change in:								
i) Demographic assumptions	–	197.76	–	(5.94)	–	–	–	–
ii) Financial assumptions	52.31	34.73	(9.97)	24.11	(5.01)	13.67	152.26	–
iii) Experience adjustments	4.62	–	4.35	12.53	(4.03)	2.83	–	–
Less: Benefit paid	(95.52)	(115.36)	(21.15)	(20.31)	(29.91)	(29.30)	(499.79)	(591.66)
Add: Past service cost	1100.43	(0.68)	–	–	–	4.02	–	–
Add: Adjustment for earlier years	–	–	–	–	–	–	–	3.85
Add/(less): Translation adjustments	10.21	(3.84)	–	–	–	–	–	–
Closing balance of the present value of defined benefit obligation	2570.24	1205.48	429.20	413.45	392.24	402.63	5344.49	4634.00

d) The changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Trust-managed provident fund plan	
	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
Opening balance of the fair value of the plan assets	793.70	778.93	4860.31	4440.73
Add: Interest income on plan assets[1]	58.21	52.46	383.69	346.97
Add/(less): Actuarial gains/(losses)				
Difference between actual return on plan assets and interest income	(0.62)	13.38	(168.36)	38.80
Add: Contribution by the employer	283.09	48.95	160.49	138.50
Add/(less): Transfer in/(out)	–	(5.56)	102.14	115.90
Add: Contribution by plan participants	–	–	413.26	362.01
Less: Benefits paid	(67.19)	(85.01)	(499.79)	(591.66)
Add: Adjustment for earlier years	–	–	–	9.07
Less: Settlements	–	(9.45)	–	–
Closing balance of the plan assets	1067.19	793.70	5251.74	4860.31

[1] Basis used to determine interest income on plan assets:

The Trust formed by the Company manages the investments of provident funds and gratuity fund. Interest income on plan assets is determined by multiplying the fair value of the plan assets by the discount rate determined at the start of the annual reporting period.

The Company expects to fund ₹ 1293.45 crore (previous year: ₹ 283.09 crore) towards its gratuity plan and ₹ 195.72 crore (previous year: ₹ 159.20 crore) towards its trust-managed provident fund plan during the year 2026-27.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" *(contd.)*

e) The fair value of major categories of plan assets are as follows:

₹ crore

Particulars	Gratuity plan					
	As at 31-3-2026			As at 31-3-2025		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	–	36.53	36.53	–	2.93	2.93
Equity instruments	45.32	–	45.32	43.05	–	43.05
Debt instruments - Corporate Bonds	368.37	–	368.37	262.29	–	262.29
Debt instruments - Central Government Bonds	102.07	–	102.07	127.94	–	127.94
Debt instruments - State Government Bonds	305.93	–	305.93	208.46	–	208.46
Debt instruments - PSU Bonds	15.73	–	15.73	17.92	–	17.92
Mutual funds - Equity	37.47	114.29	151.76	38.96	85.91	124.87
Mutual funds - Others	21.84	–	21.84	–	–	–
Fixed Deposits	–	4.52	4.52	–	4.12	4.12
Special Deposit Scheme	–	1.48	1.48	–	1.48	1.48
Others	–	13.63	13.63	–	0.64	0.64
Closing balance of the plan assets	896.74	170.45	1067.19	698.62	95.08	793.70

₹ crore

Particulars	Trust-managed provident fund plan					
	As at 31-3-2026			As at 31-3-2025		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	–	23.01	23.01	–	8.58	8.58
Equity instruments	169.58	–	169.58	182.58	–	182.58
Debt instruments - Corporate Bonds	1795.43	–	1795.43	1665.45	–	1665.45
Debt instruments - Central Government Bonds	469.51	–	469.51	425.89	–	425.89
Debt instruments - State Government Bonds	1883.93	–	1883.93	1803.83	–	1803.83
Debt instruments - PSU Bonds	44.97	–	44.97	62.65	–	62.65
Mutual funds - Equity	28.69	524.73	553.43	101.51	391.29	492.81
Mutual funds - Debt	–	5.84	5.84	–	–	–
Special Deposit Scheme	–	97.05	97.05	–	101.10	101.10
Invit Instruments	208.85	–	208.85	112.97	–	112.97
Other (Payables)/Receivables	0.13	–	0.13	4.43	0.02	4.46
Closing balance of the plan assets	4601.10	650.63	5251.74	4359.32	500.99	4860.31

f) The average duration (in number of years) of the defined benefit plan obligations at the Balance Sheet date is as follows:

Plans	As at 31-3-2026	As at 31-3-2025
1) Gratuity plan	7.31	6.92
2) Post-retirement medical benefit plan	12.44	12.59
3) Company pension plan	7.10	7.37

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" *(contd.)*

g) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

Particulars	As at 31-3-2026	As at 31-3-2025
i) Discount rate:		
a) Gratuity plan	6.88%	6.70%
b) Post-retirement medical benefit plan	6.88%	6.70%
c) Company pension plan	6.88%	6.70%
ii) Annual increase in healthcare costs (refer Note vii infra)	–	–
iii) Salary Growth rate:		
a) Gratuity plan	8.50%	8.00%
b) Company pension plan	9.00%	9.00%

iv) Attrition Rate:

a) For gratuity plan the attrition rate varies from 2% to 12% (previous year: 2% to 12%) for various age groups.

b) For Company pension plan, the attrition rate varies from 0% to 2% (previous year: 0% to 2%) for various age groups.

c) For post-retirement medical benefit plan, the attrition rate varies from 1% to 14% (previous year: 1% to 14%) for various age groups.

v) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

vi) The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long-term investments of the fund. Any shortfall in the interest income over the interest obligation is recognized immediately in the Statement of Profit and Loss.

vii The obligation of the Company under the post-retirement medical benefit plan is limited to the overall ceiling limits. At present, healthcare cost, as indicated in the principal actuarial assumption given above, has been assumed to increase at 5.00% p.a.

viii) (A) One percentage point change in actuarial assumptions would have the following effects on the defined benefit obligation of gratuity plan:

₹ crore

Particulars	Effect of 1% increase		Effect of 1% decrease	
	2025-26	2024-25	2025-26	2024-25
Impact of change in salary growth rate	176.80	76.55	(159.10)	(69.45)
Impact of change in discount rate	(160.75)	(70.20)	182.94	79.35

(B) A one percentage point change in actuarial assumptions would have the following effects on the defined benefit obligation of Company pension plan:

₹ crore

Particulars	Effect of 1% increase		Effect of 1% decrease	
	2025-26	2024-25	2025-26	2024-25
Impact of change in discount rate	(25.83)	(27.51)	29.39	31.44

(C) A one percentage point change in actuarial assumptions would have the following effects on the defined benefit obligation of post-retirement medical benefit plan:

₹ crore

Particulars	Effect of 1% increase		Effect of 1% decrease	
	2025-26	2024-25	2025-26	2024-25
Impact of change in Health care cost	9.06	8.89	(9.49)	(9.26)
Impact of change in discount rate	(48.93)	(47.59)	60.77	59.29

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [45]

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits" *(contd.)*

h) Characteristics of defined benefit plans and associated risks:

1 Gratuity plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under The Code on Social Security, 2020.

The defined benefit plan for gratuity of the Company is administered by separate gratuity funds that are legally separate from the Company. The trustees nominated by the Company are responsible for the administration of the plan. There are no minimum funding requirements of these plans. The funding of these plans are based on gratuity fund's actuarial measurement framework set out in the funding policies of the plan. These actuarial measurements are similar compared to the assumptions set out in (g) supra. Employees do not contribute to any of these plans.

Unfunded gratuity represents a small part of gratuity plan which is not material. Further, the unfunded portion includes amounts payable in respect of the Company's foreign operations which result in gratuity payable to employees engaged as per local laws of country of operation."

2 Post-retirement medical care plan:

The Post-retirement medical benefit plan provides for reimbursement of health care costs to certain categories of employees post their retirement. The reimbursement is subject to an overall ceiling sanctioned based on cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

3 Company's pension plan:

In addition to contribution to state-managed pension plan (EPS scheme), the Company operates a post retirement pension scheme, which is discretionary in nature for certain cadres of employees. The quantum of pension depends on the cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

4 Trust managed provident fund plan:

The Company manages provident fund plan through a provident fund trust for its employees which is permitted under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution and additional sums at their discretion. The plan guarantees interest at the rate notified by Employees' Provident Fund Organisation. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long term investments of the fund. Any shortfall in the interest income over the interest obligation is recognized immediately in the Statement of Profit and Loss as actuarial loss. Any loss/gain arising out of the investment risk and actuarial risk associated with the plan is also recognized as expense or income in the period in which such loss/gain occurs.

All the above defined benefit plans expose the Company to general actuarial risks such as interest rate risk and market (investment) risk.

NOTE [46]

Disclosure pursuant to Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance"

(i) The Company's exports qualify for various export benefits offered in the form of duty credit scrips under foreign trade policy framed by Department General of Foreign Trade India (DGFT). Income accounted towards such export incentives and duty drawback amounts to ₹ 353.86 crore (previous year ₹ 161.34 crore).

(ii) The Company's qualifies for certain incentives from the Government of India under the Investment Promotion Scheme 2014 and Apprenticeship (Amendment) Rules, 2019. Income accounted towards such incentives amounts to ₹ 15.08 crore (Previous year ₹ 11.16 crore).

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of related parties over which control exist and status of transactions entered during the year:

Sr No.	Name of Subsidiary Company	Nature of relationship	Transaction entered during the year (Yes/ No)
1	L&T Construction Equipment Limited	Wholly Owned Subsidiary [WOS]	Yes
2	Bhilai Power Supply Company Limited	Subsidiary	No
3	L&T Aviation Services Private Limited	WOS	Yes
4	L&T Capital Company Limited	WOS	Yes
5	Larsen & Toubro International FZE	WOS of L&T Global Holdings Limited	Yes
6	L&T Global Holdings Limited	WOS	Yes
7	Larsen & Toubro Heavy Engineering LLC [a]	Subsidiary	Yes
8	L&T Modular Fabrication Yard LLC	Subsidiary	Yes
9	Larsen & Toubro Kuwait Construction General Contracting Company W.L.L.	Subsidiary	Yes
10	Larsen Toubro Arabia LLC	Subsidiary	Yes
11	L&T Hydrocarbon Saudi Company	WOS	Yes
12	Larsen & Toubro Electromech LLC	Subsidiary	Yes
13	L&T Geostructure Private Limited	Subsidiary	Yes
14	Larsen & Toubro (Oman) LLC	Subsidiary of Larsen & Toubro International FZE	Yes
15	Larsen & Toubro Qatar LLC [a]	WOS of Larsen & Toubro International FZE	No
16	Larsen & Toubro Saudi Arabia LLC	Subsidiary	Yes
17	Larsen & Toubro T&D SA (Proprietary) Limited	Subsidiary of Larsen & Toubro International FZE	No
18	Larsen & Toubro (East Asia) Sdn.Bhd.	WOS of Larsen & Toubro International FZE	Yes
19	Hi-Tech Rock Products and Aggregates Limited	WOS	Yes
20	L&T Realty Developers Limited	WOS	Yes
21	L&T Realty Properties Limited	WOS	Yes
22	Elevated Avenue Realty LLP	WOS of L&T Realty Properties Limited	Yes
23	Elante Properties Private Limited	WOS of L&T Realty Properties Limited	Yes
24	Chennai Vision Developers Private Limited	WOS of L&T Realty Developers Limited	No
25	L&T Westend project LLP	Subsidiary of L&T Realty Developers Limited	No
26	L&T Valves Limited	WOS	Yes
27	L&T Valves Arabia Manufacturing LLC	WOS of L&T Valves Limited	Yes
28	L&T Valves USA LLC	WOS of L&T Valves Limited	No
29	L&T Finance Limited	Subsidiary	Yes
30	L&T Infra Investment Partners Advisory Private Limited	WOS of L&T Finance Limited	Yes
31	L&T Infra Investment Partners Trustee Private Limited	WOS of L&T Finance Limited	Yes
32	L&T Financial Consultants Limited	WOS of L&T Finance Limited	Yes
33	L&T Infra Investment Partners	Subsidiary of L&T Finance Limited	No
34	LTM Limited [b]	Subsidiary	Yes
35	LTIMindtree GmBH	WOS of LTIMindtree Limited	No
36	LTIMindtree Canada Limited	WOS of LTIMindtree Limited	No
37	LTIMindtree Financial Services Technologies Inc.	WOS of LTIMindtree Limited	No
38	LTIMindtree South Africa (Pty) Limited	Subsidiary of LTIMindtree Limited	No
39	LTIMindtree Information Technology Services (Shanghai) Co.Ltd.	WOS of LTIMindtree Limited	No
40	LTIMindtree Spain S.L. [c]	WOS of LTIMindtree Limited	No
41	LTIMindtree, Sociedad De Responsibilidad Limitada De Capital Variable	WOS of LTIMindtree Limited	No

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

Sr No.	Name of Subsidiary Company	Nature of relationship	Transaction entered during the year (Yes/ No)
42	LTIMindtree Norge AS	WOS of LTIMindtree Limited	No
43	LTIMindtree S.A.	WOS of LTIMindtree GmbH	No
44	Syncordis Limited [d]	WOS of LTIMindtree S.A	No
45	LTIMindtree PSF S.A.	WOS of LTIMindtree S.A	No
46	LTIMindtree Switzerland AG	WOS of Nielsen+Partner Unternehmensberater GmbH	No
47	Nielsen+Partner Pte Ltd [e]	WOS of Nielsen+Partner Unternehmensberater GmbH	No
48	LTIMindtree (Thailand) Limited	WOS of Nielsen+Partner Unternehmensberater GmbH	No
49	LTIMindtree USA Inc.	WOS of LTIMindtree Limited	No
50	LTIMindtree UK Limited	WOS of LTIMindtree Limited	Yes
51	LTIMindtree Middle East FZ-LLC	WOS of LTIMindtree Limited	Yes
52	L&T Technology Services Limited	Subsidiary	Yes
53	L&T Thales Technology Services Private Limited	Subsidiary of L&T Technology Services Limited	Yes
54	L&T Technology Services LLC	WOS of L&T Technology Services Limited	Yes
55	L&T Technology Services Pte. Ltd.	WOS of L&T Technology Services Limited	No
56	Graphene Solutions SDN. BHD.	WOS of L&T Technology Services Limited	No
57	Graphene Solutions Taiwan Limited	WOS of L&T Technology Services Limited	No
58	L&T Technology Services (Shanghai) Co. Ltd.	WOS of L&T Technology Services Limited	No
59	L&T Technology Services (Canada) Limited	WOS of L&T Technology Services LLC	No
60	L&T Power Development Limited	WOS	Yes
61	L&T Himachal Hydropower Limited	WOS of L&T Power Development Limited	No
62	Nabha Power Limited	WOS of L&T Power Development Limited	yes
63	L&T Metro Rail (Hyderabad) Limited [f]	Subsidiary	No
64	L&T Network Services Private Limited	WOS	Yes
65	Prime Techpark (Chennai) Private Limited	WOS	No
66	Millennium Techpark (Chennai) Private Limited	Subsidiary of L&T Realty Properties Limited	No
67	Chennai Nova Techpark Private Limited	Subsidiary of L&T Realty Properties Limited	No
68	Bangalore Galaxy Techpark Private Limited	WOS of L&T Realty Developers Limited	No
69	Business Park (Powai) Private Limited	WOS	Yes
70	Corporate Park (Powai) Private Limited	WOS	Yes
71	L&T Electrolysers Limited	WOS of L&T Energy Green Tech Limited	Yes
72	LH Residential Housing Private Limited	WOS of L&T Realty Developers Limited	Yes
73	L&T Semiconductor Technologies Limited	WOS	Yes
74	LH Uttarayan Premium Realty Private Limited	WOS of L&T Realty Developers Limited	No
75	L&T Technology Services Poland spółka z ograniczoną odpowiedzialnością	WOS of L&T Technology Limited	No
76	PT Larsen and Toubro	WOS	Yes
77	L&T Energy Green Tech Limited	WOS	Yes
78	Global Infotech Corporation	WOS of Intelliswift Software Inc.	No
79	Intelliswift Software (Canada) Inc.	WOS of Intelliswift Software Inc.	No
80	Intelliswift Software (Costa Rica) Limitada	WOS of Intelliswift Software Inc.	No
81	Intelliswift Software (Hungary) Kft	WOS of Intelliswift Software Inc.	No
82	Intelliswift Software (India) Private Limited	WOS of L&T Technology Services Limited	Yes
83	Intelliswift Software Inc.	WOS of L&T Technology Services LLC	No
84	L&T Special Steels and Heavy Forgings Private Limited	WOS	Yes

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

Sr No.	Name of Subsidiary Company	Nature of relationship	Transaction entered during the year (Yes/ No)
85	Larsen & Toubro CIS FE LLC	WOS of Larsen & Toubro International FZE	No
86	LTIMindtree Consulting Brazil LTDA	WOS of LTIMindtree Limited	No
87	P. Murphy & Associates Inc	WOS of Intelliswift Software Inc.	No
88	Siliconch Systems Private Limited (merged)	WOS of L&T Semiconductor Technologies Limited	Yes
89	L&T Offshore Marine Private Limited [g]	WOS	Yes
90	SuFin Limited [h]	WOS	Yes
91	L&T Green Energy Kandla Private Limited [i]	WOS	No
92	Panipat Green Hydrogen Private Limited [j]	WOS	No
93	LTIM Aramco Digital Solutions for Information Technology [k]	Subsidiary of LTIMindtree Limited	No
94	L&T Energy Offshore Wind B.V.[l]	WOS	No

[a] Under liquidation
[b] Formerly known as LTIMindtree Limited
[c] Dissolved w.e.f March 31, 2026
[d] Dissolved w.e.f July 16, 2025
[e] Struck off on November 28, 2025
[f] One equity share (the Golden Share) is held by the Government of Telangana in pursuance of the Shareholders' Agreement
[g] Formerlly known as L&T Sapura Shipping Private Limited - Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f. January 21, 2026 due to purchase of balance stake
[h] Incorporated on January 2, 2026
[i] Incorporated on April 4, 2025
[j] Incorporated on June 30, 2025
[k] W.e.f. July 16, 2025, the Company acquired control as per IND AS 110 - Consolidated financial statements and reclassified from a Joint Venture to a Subsidiary. The entity was incorporated in November 22, 2024
[l] Incorporated on February 09, 2026

(b) (i) Name of associates and joint ventures with whom transactions were carried out during the year:

Sr. No	Associate Companies	Sr. No	Associate Companies
1	Magtorq Private Limited	2	E2E Networks Limited
3	Indian Foundation For Quality Management [1]		

[1] Acquired on September 19, 2024 and ceased to be an associate w.e.f December 16, 2024

(ii) Names of joint ventures with whom transactions were carried out during the year:

Sr. No.	Joint Venture Companies	Sr. No.	Joint Venture Companies
1	L&T-Sargent & Lundy Limited	2	L&T - MHI Power Boilers Private Limited
3	L&T - MHI Power Turbine Generators Private Limited	4	Raykal Aluminium Company Private Limited
5	L&T Howden Private Limited	6	L&T MBDA Missile Systems Limited
7	GH4India Private Limited		

(iii) Name of post-employment benefit plans with whom transactions were carried out during the year

Sr. No.	Provident Fund Trust
1	Larsen & Toubro Officers & Supervisory Staff Provident Fund
2	Larsen & Toubro Limited Provident Fund of 1952
3	Larsen & Toubro Limited Provident Fund
4	L&T (Kansbahal) Officers & Supervisory Staff Provident Fund
5	L&T (Kansbahal) Staff & Workmen Provident Fund
6	L&T Energy Hydrocarbon Engineering Staff Provident Fund

Sr. No.	Gratuity Trust
1	Larsen & Toubro Officers & Supervisors Gratuity Fund
2	Larsen & Toubro Gratuity Fund
3	L&T Energy Hydrocarbon Engineering Officers and Supervisors Gratuity Fund

Sr. No.	Superannuation Trust
1	Larsen & Toubro Limited Senior Officers' Superannuation Scheme

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

(iv) Name of key management personnel and close member of their family with whom transactions were carried out during the year

(i) Executive Director:

Sr. No.		Sr. No.	
1	Mr. S. N. Subrahmanyan (Chairman & Managing Director)	2	Mr. Subramanian Sarma (Deputy Managing Director & President)
3	Mr. R. Shankar Raman (President, Whole-time Director & CFO)	4	Mr. S.V. Desai (Whole-time Director)
5	Mr. T. Madhava Das (Whole-time Director)	6	Mr. Anil Parab (Whole-time Director)

(ii) Non-executive/Independent Directors

Sr. No.	Name	Sr. No.	Name
1	Mr. Sanjeev Aga (Independent Director)	2	Mr. Narayanan Kumar (Independent Director)
3	Mrs. Preetha Reddy (Independent Director)	4	Mr. Pramit Jhaveri (Independent Director)
5	Mr. Rajnish Kumar (Independent Director)	6	Mr. Jyoti Sagar (Independent Director)
7	Mr. Ajay Tyagi (Independent Director)	8	Mr. P. R. Ramesh (Independent Director)
9	Mr. Amitabh Kant (Independent Director) [a]	10	Mr. B. Santhanam (Independent Director) [a]
11	Mr. Siddhartha Mohanty (Non-executive Director)		

[a] Appointed w.e.f. October 29, 2025

(ii) Company secretary & Compliance Officer

Sr. No	Name
1	Mr. Subramanian Narayan [a]
2	Mr. Sivaram Nair A [b]

[a] Appointed w.e.f. May 10,2025 [b] ceased w.e.f. May 9,2025

(iv) Close member of Key Management Personnel's (KMP's) family with whom transactions were carried out during the year:

Sr. No	Name	Sr. No	Name
1	Ms. Meena Subrahmanyan	2	Ms. Vasanti Narayanan
3	Ms. Shital Mayaba Desai	4	Ms. Sulabha Anil Parab
5	Ms. Toral Sanjay Chinai	6	Ms. Smita Narayan Sarang
7	Mr. Anand V Desai	8	Ms. Kalavathi S Desai
9	Mr. Raghavendra V Desai	10	Ms.Tanya Mallavarapu
11	Mr. Ashwin Shete	12	Mr. Karthik Anand Reddy
13	Mr. S.N. Venkataramanan	14	Ms. Mukeeta Pramit Jhaveri
15	Mr. Harshad Reddy		

(c) Disclosure of related party transactions:

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26		2024-25	
		Amount	Amounts for major parties	Amount	Amounts for major parties
i.	Purchase of goods & services (including commission paid)				
	Subsidiaries, including:	7167.16		4152.40	
	L&T Modular Fabrication Yard LLC		3431.22		2194.91
	L&T Saudi Arabia LLC		2420.65		1028.69
	Joint ventures, including:	1601.59		665.36	
	L&T - MHI Power Boilers Private Limited		1064.34		179.34
	L&T Special Steels and Heavy Forgings Private Limited		–		447.67
	L&T - MHI Power Turbine Generators Private Limited		432.51		9.43
	Associates, including:	42.99		30.97	
	Magtorq Private Limited		39.40		30.97
	Total	8811.74		4848.73	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26		2024-25	
		Amount	Amounts for major parties	Amount	Amounts for major parties
ii.	Sale of goods/contract revenue & services				
	Subsidiaries, including:	1478.60		1162.59	
	L&T Hydrocarbon Saudi Company		69.86		143.09
	L&T (Oman) LLC		257.74		171.70
	L&T (East Asia) Sdn. Bhd.		332.13		172.84
	L&T International FZE		3.39		127.01
	LTM Limited		170.30		154.52
	Joint ventures:	10.14		12.99	
	L&T - MHI Power Boilers Private Limited		5.41		5.22
	L&T MBDA Missile Systems Limited		3.20		4.66
	L&T-Sargent & Lundy Limited		1.52		–
	L&T Special Steels and Heavy Forgings Private Limited		–		3.11
	Associate:	12.43		–	
	E2E Networks Limited		12.43		–
	Total	1501.17		1175.58	
iii.	Purchase/lease of property, plant and equipment				
	Subsidiaries:	111.41		37.65	
	L&T Valves Limited		92.65		–
	L&T Construction Equipment Limited		1.08		20.69
	LTM Limited		2.23		8.58
	L&T Technology Services Limited		15.45		5.37
	Total	111.41		37.65	
iv.	Sale of property, plant and equipment				
	Subsidiaries, including:	2.20		692.88	
	L&T Hydrocarbon Saudi Company		0.92		–
	L&T Saudi Arabia LLC		0.78		0.63
	L&T Special Steels and Heavy Forgings Private Limited		0.32		–
	Business Park (Powai) Private Limited		–		425.35
	Corporate Park (Powai) Private Limited		–		265.18
	Total	2.20		692.88	
v.	Investments including subscription to equity and preference shares (equity portion)				
	Subsidiaries, including:	1101.62		894.74	
	Business Park (Powai) Private Limited		98.50		185.98
	Corporate Park (Powai) Private Limited		–		198.28
	L&T Energy Green Tech Limited		247.00		194.00
	L&T Semiconductor Technologies Limited		541.97		307.48
	L&T Offshore Marine Private Limited		152.10		–
	Joint venture:	0.62		1.26	
	L&T - MHI Power Turbine Generators Private Limited		0.62		1.26
	GH4India Private Limited				
	Associates:	208.09		12.50	
	Indian Foundation For Quality Management		–		12.50
	E2E Networks Limited		208.09		–
	Total	1310.33		908.49	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26 Amount	2025-26 Amounts for major parties	2024-25 Amount	2024-25 Amounts for major parties
vi.	Redemption of debt securities				
	Subsidiaries:	855.00		–	
	L&T Metro Rail (Hyderabad) Limited		750.00		–
	L&T Finance Limited		105.00		–
	Total	855.00		–	
vii.	Advance towards transfer of business undertaking				
	Subsidiaries:	42.90		–	
	Sufin Limited		42.90		–
viii.	Inter corporate deposits and loans given to				
	Subsidiaries:	95.17		172.48	
	L&T Semiconductor Technologies Limited		42.00		–
	L&T Energy Green Tech Limited		–		61.00
	Nabha Power Limited		53.17		111.48
	Total	95.17		172.48	
ix.	Inter corporate deposits and loans repaid by				
	Subsidiaries, including:	333.00		101.04	
	L&T Energy Green Tech Limited		–		79.00
	L&T Semiconductor Technologies Limited		42.00		–
	Business Park (Powai) Private Limited		–		17.54
	L&T Special Steels and Heavy Forgings Private Limited		286.00		–
	Total	333.00		101.04	
x.	Inter corporate borrowing taken from				
	Subsidiaries, including:	6439.59		5993.44	
	L&T Realty Developers Limited		1793.50		1598.00
	L&T Realty Properties Limited		2197.90		2494.16
	L&T Valves Limited		1163.50		1143.00
	Joint venture:	702.36		435.55	
	L&T - MHI Power Turbine Generators Private Limited		702.36		435.55
	Total	7141.95		6428.99	
xi.	Inter corporate borrowing repaid to				
	Subsidiaries, including:	6071.29		6685.74	
	L&T Realty Developers Limited		1736.50		1858.00
	L&T Realty Properties Limited		1847.10		2934.16
	L&T Valves Limited		1201.50		1070.00
	Joint venture:	659.78		641.87	
	L&T - MHI Power Turbine Generators Private Limited		659.78		477.87
	L&T MBDA Missile Systems Limited		–		164.00
	Total	6731.07		7327.61	
xii.	Charges paid for miscellaneous services				
	Subsidiaries, including:	281.54		238.32	
	LTM Limited		226.80		194.09
	L&T Aviation Services Private Limited		25.22		29.74
	Joint ventures, including:	4.35		3.70	
	L&T Sargent & Lundy Limited		2.51		1.88
	L&T - MHI Power Boilers Private Limited		1.80		1.76
	Total	285.89		242.02	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26		2024-25	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xiii.	Rent paid, including lease rentals under leasing/hire purchase arrangements				
	Subsidiaries, including:	3.63		12.01	
	L&T Technology Services Limited		0.51		2.98
	L&T Valves Limited		–		7.83
	L&T Metro Rail (Hyderabad) Limited		1.07		0.99
	L&T Special Steels and Heavy Forgings Private Limited		1.83		0.21
	Joint ventures, including:	0.55		85.45	
	L&T - MHI Power Boilers Private Limited		0.14		2.12
	L&T Howden Private Limited		0.18		0.17
	L&T Offshore Marine Private Limited		0.23		71.50
	L&T - MHI Power Turbine Generators Private Limited		–		8.97
	Total	4.18		97.46	
xiv.	Rent received, overheads recovered and miscellaneous income				
	Subsidiaries, including:	677.65		574.55	
	LTM Limited		241.25		195.65
	L&T Technology Services Limited		94.42		76.49
	L&T Saudi Arabia LLC		42.49		57.90
	L&T Finance Limited		172.01		146.83
	Joint ventures, including:	65.81		60.52	
	L&T - MHI Power Boilers Private Limited		24.67		23.23
	L&T Sargent & Lundy Limited		24.01		14.04
	L&T - MHI Power Turbine Generators Private Limited		11.26		10.72
	L&T Special Steels and Heavy Forgings Private Limited		–		6.53
	Total	743.46		635.07	
xv.(a)	Charges incurred for deputation of employees from related parties				
	Subsidiaries, including:	5.16		4.83	
	L&T Innovation Campus (Chennai) Limited		–		1.67
	L&T Realty Developers Limited		0.54		0.71
	L&T Technology Services Limited		5.23		2.45
	Total	5.16		4.83	
xv.(b)	Charges recovered for deputation of employees to related parties				
	Subsidiaries, including:	123.24		136.59	
	L&T Semiconductor Technologies Limited		2.11		22.31
	L&T Geostructure Private Limited		–		17.41
	Elevated Avenue Realty LLP		19.21		17.63
	L&T Realty Developers Limited		19.09		19.41
	L&T Realty Properties Limited		32.65		15.91
	LH Residential Housing Private Limited		19.17		12.17
	Joint ventures:	2.80		7.04	
	L&T - MHI Power Boilers Private Limited		2.80		–
	L&T Offshore Marine Private Limited		–		5.81
	L&T Special Steels and Heavy Forgings Private Limited		–		1.23
	Total	126.04		143.63	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26 Amount	2025-26 Amounts for major parties	2024-25 Amount	2024-25 Amounts for major parties
xvi.	Dividend received				
	Subsidiaries, including:	3367.92		2930.46	
	LTM Limited		1361.23		1320.60
	L&T Technology Services Limited		436.73		389.93
	L&T Global Holdings Limited		541.79		428.78
	L&T Finance Limited		454.45		413.13
	Joint ventures:	35.06		27.27	
	L&T-Sargent & Lundy Limited		35.06		12.24
	L&T Howden Private Limited		–		15.03
	Associates:	0.41		–	
	Magtorq Private Limited		0.41		–
	Total	3403.39		2957.73	
xvii.	Dividend Paid				
	Key Management Personnel, including:	3.53		2.74	
	Mr. S. N. Subrahmanyan		1.14		0.84
	Mr. R. Shankar Raman		1.01		0.83
	Mr. Subramanian Sarma		0.71		0.52
	Mr. Anil Parab		0.38		0.31
	Close member of Key Management Personnel, including:	0.34		0.28	
	Mrs. Meena Subrahmanyan		0.29		0.24
	Total	3.87		3.02	
xviii	Commission received, including those under agency arrangements				
	Subsidiary:	–		3.38	
	L&T Construction Equipment Limited		–		3.38
	Total	–		3.38	
xix	Charges towards guarantee given				
	Subsidiaries, including:	388.79		374.71	
	L&T Hydrocarbon Saudi Company		165.78		161.41
	L&T Saudi Arabia LLC		59.76		58.38
	L&T Arabia LLC		59.67		54.26
	L&T International FZE		67.95		64.35
	Joint venture:	0.66		0.58	
	L&T - MHI Power Turbine Generators Private Limited		0.66		0.58
	Total	389.45		375.29	
xx	Interest paid to				
	Subsidiaries, including:	93.62		75.37	
	L&T Realty Properties Limited		34.76		26.49
	L&T Valves Limited		24.77		22.45
	L&T Realty Developers Limited		23.06		17.25
	Joint ventures:	2.78		4.95	
	L&T MBDA Missile Systems Limited		–		0.93
	L&T - MHI Power Turbine Generators Private Limited		2.78		4.02
	Total	96.40		80.32	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26		2024-25	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xxi	Interest received from				
	Subsidiaries, including:	212.00		138.97	
	L&T Metro Rail (Hyderabad) Limited		24.18		56.72
	L&T Finance Limited		2.70		15.59
	Nabha Power Limited		54.08		45.57
	L&T Special Steels and Heavy Forgings Private Limited [1]		127.70		17.05
	Joint ventures:	8.22		9.84	
	L&T Offshore Marine Private Limited		8.22		9.84
	Total	220.22		148.80	
xxii	Amount recognised/(reversed) in Profit or Loss as provision towards bad and doubtful debts (including expected credit loss)				
	Subsidiaries, including:	77.13		(0.27)	
	L&T Arabia LLC		4.51		2.30
	L&T Hydrocarbon Saudi Company		(1.86)		(11.87)
	L&T Metro Rail (Hyderabad) Limited		78.69		4.90
	L&T Modular Fabrication Yard LLC		–		(1.79)
	Elevated Avenue Realty LLP		–		(0.53)
	L&T Offshore Private Limited		–		(5.15)
	L&T Energy Green Tech Limited		(0.56)		0.56
	Business Park (Powai) Private Limited		(1.85)		1.90
	Corporate Park (Powai) Private Limited		(3.98)		3.98
	L&T Realty Developers Limited		(0.04)		(0.13)
	L&T Heavy Engineering LLC		0.04		0.04
	L&T Electromech LLC		(0.11)		0.09
	L&T Technology Services Limited		0.90		1.29
	L&T Saudi Arabia LLC		2.92		0.89
	Elante Properties Private Limited		–		(0.62)
	L&T (Oman) LLC		(0.21)		(0.03)
	L&T Geostructure Private Limited		(0.07)		0.27
	L&T (East Asia) Sdn. Bhd.		0.61		3.63
	Joint ventures, including:	0.53		(0.22)	
	L&T Sargent & Lundy Limited		–		(0.05)
	L&T - MHI Power Boilers Private Limited		0.12		0.03
	GH4India Private Limited		0.39		0.18
	L&T - MHI Power Turbine Generators Private Limited		0.01		(0.35)
	Total	77.66		(0.49)	
xxiii	Amount recognised in Profit or Loss on account of impairment/(reversal of impairment) loss on investment and inter corporate deposit				
	Subsidiaries:	6013.00		–	
	L&T Metro Rail (Hyderabad) Limited		6013.00		–
	Associates:	–		12.50	
	Indian Foundation For Quality Management		–		12.50
	Total	6013.00		12.50	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26 Amount	2025-26 Amounts for major parties	2024-25 Amount	2024-25 Amounts for major parties
xxiv	Guarantee given on behalf of				
	Subsidiaries, including:	6018.38		2818.15	
	L&T Arabia LLC		3056.20		1681.99
	L&T Metro Rail (Hyderabad) Limited		2872.00		–
	L&T Saudi Arabia LLC		–		379.07
	L&T Geostructure Private Limited		–		559.00
	Joint ventures:	69.36		139.74	
	L&T MHI Power Turbine Generators Private Limited		69.36		139.74
	Total	6087.74		2957.89	
xxv	Contribution to post employment benefit plans				
(a)	Towards employer's contribution to provident fund trusts, including:	162.38		140.01	
	L&T Officers & Supervisory Staff Provident Fund		151.22		126.87
	Total	162.38		140.01	
(b)	Towards employer's contribution to gratuity fund trusts:	283.09		48.95	
	L&T Officers & Supervisors Gratuity Fund		269.77		43.38
	L&T Gratuity Fund		13.32		4.18
	Total	283.09		48.95	
(c)	Towards employer's contribution to superannuation trust:	19.82		20.61	
	L&T Limited Senior Officers' Superannuation Scheme		19.82		20.61
	Total	19.82		20.61	

"Major parties" denote entities accounting for 10% or more of the aggregate for that category of transaction during respective year.

[1] During the year the Company has waived overdue accrued interest payable by L&T Special Steels and Heavy Forgings Private Limited amounting to ₹ 473.36 crore on the impaired loan.

xxvi. Compensation paid to key management personnel:

₹ crore

Key Management Personnel	2025-26 Short-term employee benefits	2025-26 Post-employment benefits	2025-26 Other Long term benefit	2025-26 Total	2024-25 Short-term employee benefits	2024-25 Post-employment benefits	2024-25 Other Long term benefit	2024-25 Total
(a) Mr. S.N.Subrahmanyan	79.40	21.36		100.76	45.82	12.30		58.12
(b) Mr. R. Shankar Raman	40.92	11.00		51.92	28.31	7.60		35.91
(c) Mr. Subramanian Sarma	42.57	11.45		54.02	24.74	6.63		31.37
(d) Mr. M. V. Satish					0.22	17.05 [1]	13.58 [2]	30.85
(e) Mr. S.V.Desai	26.99	7.24		34.23	15.82	4.22		20.04
(f) Mr. T. Madhava Das	26.66	7.15		33.81	18.98	5.08		24.06
(g) Mr. Anil Parab	19.48	5.21		24.69	11.87	3.16		15.03
Non-executive Directors:								
(a) Other Non-executive Directors	7.47			7.47	5.43			5.43
(b) Mr. Sivaram Nair A (Company Secretary)	0.56	0.07 [3]	0.02 [2]	0.65	1.85	0.02		1.87
(c) Mr. Subramanian Narayan (Company Secretary)	1.19	0.02		1.21				
Total	245.24	63.50	0.02	308.76	153.04	56.06	13.58	222.68

[1] Post employment benefits include gratuity ₹ 16.99 crore

[2] Represents encashment of past service accumulated leave

[3] Post employment benefits include gratuity ₹ 0.06 crore

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

(d) Amount due to/from related parties:

₹ crore

Sr. No.	Category of balance/relationship/parties	As at 31-3-2026		As at 31-3-2025	
		Amount	Amounts for major parties	Amount	Amounts for major parties
i.	Accounts receivable				
	Subsidiaries, including:	1140.31		1467.48	
	L&T Metro Rail (Hyderabad) Limited		395.99		729.66
	L&T Geostructure Private Limited		242.51		278.40
	Joint ventures , including:	40.83		24.93	
	L&T - MHI Power Boilers Private Limited		24.82		14.62
	GH4India Private Limited		3.56		3.56
	L&T Sargent & Lundy Limited		8.18		2.77
	Associates:	3.64		–	
	E2E Networks Limited		3.64		–
	Total	1184.78		1492.41	
ii.	Accounts payables, including other payables				
	Subsidiaries, including:	2006.92		1647.35	
	L&T Modular Fabrication Yard LLC		324.39		9.38
	L&T Arabia LLC		211.92		209.71
	L&T Saudi Arabia LLC		653.36		301.52
	L&T Technology Services Limited		185.08		250.77
	L&T Special Steels and Heavy Forgings Private Limited		78.90		286.95
	Joint ventures , including:	1666.22		740.66	
	L&T - MHI Power Boilers Private Limited		1132.20		496.92
	L&T - MHI Power Turbine Generators Private Limited		509.21		191.48
	Associates, including:	11.72		13.97	
	Magtorq Private Limited		11.71		13.61
	Total	3684.86		2401.98	
iii.	Investment in debt securities [including preference shares (debt portion)]				
	Subsidiaries:	656.79		1297.94	
	L&T Metro Rail (Hyderabad) Limited		443.63		973.73
	L&T Finance Limited		–		111.04
	L&T Special Steels and Heavy Forgings Private Limited		213.17		213.17
	Total	656.79		1297.94	
iv	Impairment loss on investment in debt securities				
	Subsidiaries:	213.17		213.17	
	L&T Special Steels and Heavy Forgings Private Limited		213.17		213.17
	Total	213.17		213.17	
v.	Loans & advances recoverable				
	Subsidiaries, including:	3472.49		3763.59	
	Nabha Power Limited		548.39		495.90
	L&T Special Steels and Heavy Forgings Private Limited		1704.76		1924.43
	Joint ventures , including:	1868.06		254.49	
	L&T Offshore Marine Private Limited		–		220.79
	L&T - MHI Power Boilers Private Limited		1499.40		13.39
	L&T - MHI Power Turbine Generators Private Limited		361.61		10.37
	Associates, including:	19.90		19.31	
	Magtorq Private Limited		19.90		19.01
	Total	5360.45		4037.39	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Category of balance/relationship/parties	As at 31-3-2026		As at 31-3-2025	
		Amount	Amounts for major parties	Amount	Amounts for major parties
vi.	Impairment loss on loans & advances recoverable				
	Subsidiaries, including:	1271.56		1277.60	
	L&T Special Steels and Heavy Forgings Private Limited		1270.45		1,270.45
	Joint venture:	0.89		0.88	
	Raykal Aluminium Company Private Limited		0.89		0.88
	Total	1272.45		1278.47	
vii.	Unsecured loans taken (including lease finance)				
	Subsidiaries, including:	825.05		456.70	
	L&T Construction Equipment Limited		77.75		70.50
	L&T Valves Limited		305.04		343.00
	L&T Realty Properties Limited		350.80		–
	Joint venture:	43.86		1.28	
	L&T - MHI Power Turbine Generators Private Limited		43.86		1.28
	Total	868.91		457.98	
viii.	Advances received in the capacity of supplier of goods/services classified as "Advances from customers" in the Balance Sheet				
	Subsidiaries, including:	202.14		151.15	
	L&T Realty Developers Limited		45.22		2.71
	L&T Hydrocarbon Saudi Company		–		18.28
	LTM Limited		–		38.00
	Elante Properties Private Limited		50.96		–
	Business Park (Powai) Private Limited		25.16		–
	Corporate Park (Powai) Private Limited		20.24		–
	L&T (Oman) LLC		12.60		20.35
	LH Residential Housing Private Limited		23.59		32.29
	Joint venture:	0.46		0.46	
	L&T - MHI Power Boilers Private Limited		0.46		0.46
	Key Management Personnel:	3.55			
	Mr. Rajnish Kumar		2.43		–
	Mr. Amitabh Kant		1.12		–
	Total	206.15		151.61	
ix.	Due to directors [1]:				
	Key Management Personnel, including:	227.66		136.71	
	Mr. S. N. Subrahmanyan		74.80		41.58
	Mr. R. Shankar Raman		38.19		25.73
	Mr. Subramanian Sarma		39.99		22.37
	Mr. Anil Parab		18.07		10.55
	Mr. M. V. Satish		–		0.18
	Mr. S.V.Desai		25.34		14.29
	Mr. T. Madhava Das		25.01		17.45
	Total	227.66		136.71	
x.	Post employment benefit plan				
(a)	Due to provident fund trusts, including:	69.47		58.53	
	Larsen & Toubro Officers & Supervisory Staff Provident Fund		64.35		55.15
	Total	69.47		58.53	

[1] Includes commission due to non-executive directors ₹ 6.26 crore (previous year: ₹ 4.56 crore)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Category of balance/relationship/parties	As at 31-3-2026		As at 31-3-2025	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(b)	Due to gratuity trusts:	1287.02		283.09	
	Larsen & Toubro Officers & Supervisors Gratuity Fund		1226.46		258.18
	Larsen & Toubro Gratuity Fund		60.56		24.91
	Total	1287.02		283.09	
(c)	Due to superannuation trust:	24.20		19.82	
	Larsen & Toubro Limited Senior Officers' Superannuation Scheme		24.20		19.82
	Total	24.20		19.82	
xi.(a)	Capital commitment given				
	Subsidiaries:	3.73		18.38	
	L&T Construction Equipment Limited		1.20		2.85
	LTM Limited		0.54		12.81
	L&T Technology Services Limited		2.00		2.72
	Total	3.73		18.38	
xi.(b)	Revenue commitment given				
	Subsidiaries, including:	6779.03		4237.85	
	L&T Saudi Arabia LLC		642.63		2029.69
	L&T Modular Fabrication Yard LLC		4743.07		1073.18
	Joint ventures , including:	9044.13		295.30	
	L&T - MHI Power Boilers Private Limited		6958.35		226.02
	L&T - MHI Power Turbine Generators Private Limited		2003.04		24.15
	L&T Howden Private Limited		2.46		33.73
	Associates:	170.34		65.74	
	Magtorq Private Limited		170.34		65.74
	Total	15993.50		4598.88	
xii.	Commitment to Fund				
	Subsidiary:	–		455.53	
	Nabha Power Limited		–		127.78
	E2E Networks Limited		–		327.75
	Total	–		455.53	
xiii.	Revenue commitment received				
	Subsidiaries, including:	2185.03		1938.10	
	L&T (Oman) LLC		212.89		208.09
	Corporate Park (Powai) Private Limited		56.14		294.43
	L&T Realty Properties Limited		148.65		208.52
	Larsen & Toubro (East Asia) Sdn. Bhd.		293.48		541.84
	LH Residential Housing Private Limited		169.27		255.97
	Business Park (Powai) Private Limited		239.35		55.25
	L&T Realty Developers Limited		355.68		55.31
	Elante Properties Private Limited		611.91		–
	Joint ventures:	121.03		5.47	
	L&T - MHI Power Boilers Private Limited		121.03		5.47
	Key Management Personnel:	23.38			
	Mr. Rajnish Kumar		11.69		–
	Mr. Amitabh Kant		11.69		–
	Total	2329.44		1943.58	

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [47]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures" *(contd.)*

₹ crore

Sr. No.	Category of balance/relationship/parties	As at 31-3-2026		As at 31-3-2025	
		Amount	Amounts for major parties	Amount	Amounts for major parties
xiv.	Guarantee given on behalf of				
	Subsidiaries, including:	119489.70		122845.36	
	L&T Hydrocarbon Saudi Company		46385.96		54257.11
	L&T Arabia LLC		17389.48		16840.10
	L&T Saudi Arabia LLC		20890.94		19216.49
	L&T International FZE		24053.05		21679.07
	Joint ventures , including:	228.69		231.08	
	L&T MHI Power Turbine Generators Private Limited		209.10		211.67
	Total	119718.39		123076.45	
xv.	Provision towards expected credit loss related to the amount of outstanding balances				
	Subsidiaries, including:	169.33		87.81	
	L&T Metro Rail (Hyderabad) Limited		129.03		50.34
	L&T Arabia LLC		26.20		23.39
	Joint ventures , including:	0.86		2.07	
	L&T - MHI Power Boilers Private Limited		0.27		0.15
	GH4India Private Limited		0.57		0.18
	Total	170.19		89.87	

"Major parties" denote entities account for 10% or more of the aggregate for that category of balance during respective year.

Notes:

1. The amount of outstanding balances as shown above are unsecured and will be settled/recovered in cash.
2. The interest rate charged on loans given to related parties are as per market rates.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [48]

Disclosure pursuant to Ind AS 27 "Separate Financial Statements"

Investment in following subsidiaries, associates and joint ventures is accounted at cost.

Subsidiaries:

Sr. No.	Name of the subsidiary	Principal place of business	As at 31-3-2026		As at 31-3-2025	
			Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)	Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)
	Indian subsidiaries					
1	Bhilai Power Supply Company Limited	India	99.90	99.90	*99.90*	*99.90*
2	Hi-Tech Rock Products & Aggregates Limited	India	100.00	100.00	*100.00*	*100.00*
3	L&T Realty Properties Limited	India	100.00	100.00	*100.00*	*100.00*
4	L&T Geostructure Private Limited	India	99.00	100.00	*99.00*	*100.00*
5	L&T Valves Limited	India	100.00	100.00	*100.00*	*100.00*
6	L&T Energy Green Tech Limited	India	100.00	100.00	*100.00*	*100.00*
7	L&T Aviation Services Private Limited	India	100.00	100.00	*100.00*	*100.00*
8	LTM Limited [a]	India	68.53	68.53	*68.58*	*68.58*
9	L&T Finance Limited	India	65.99	65.99	*66.24*	*66.24*
10	L&T Capital Company Limited	India	100.00	100.00	*100.00*	*100.00*
11	L&T Power Development Limited	India	100.00	100.00	*100.00*	*100.00*
12	L&T Metro Rail (Hyderabad) Limited [b]	India	99.99	99.99	*99.99*	*99.99*
13	L&T Technology Services Limited	India	73.57	73.57	*73.66*	*73.66*
14	L&T Construction Equipment Limited	India	100.00	100.00	*100.00*	*100.00*
15	L&T Realty Developers Limited	India	100.00	100.00	*100.00*	*100.00*
16	L&T Network Services Private Limited	India	100.00	100.00	*100.00*	*100.00*
17	Corporate Park (Powai) Private Limited	India	100.00	100.00	*100.00*	*100.00*
18	Business Park (Powai) Private Limited	India	100.00	100.00	*100.00*	*100.00*
19	L&T Semiconductor Technologies Limited	India	100.00	100.00	*100.00*	*100.00*
20	L&T Special Steels and Heavy Forgings Private Limited	India	100.00	100.00	*100.00*	*100.00*
21	L&T Offshore Marine Private Limited [c]	India	100.00	100.00	-	-
22	Sufin Limited	India	100.00	100.00	-	-

[a] Formerly known as LTIMindtree Limited

[b] One equity share (the Golden Share) is held by the Government of Telangana in pursuance of the Shareholders' Agreement.

[c] Formerly known as L&T Sapura Shipping Private Limited-Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f. January 21, 2026 due to purchase of balance stake

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [48]

Disclosure pursuant to Ind AS 27 "Separate Financial Statements" *(contd.)*

Foreign Subsidiaries :

Sr. No.	Name of the subsidiary	Principal place of business	As at 31-3-2026		As at 31-3-2025	
			Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)	Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)
1	Larsen & Toubro Saudi Arabia LLC	Kindgom of Saudi Arabia	4.35	100.00	4.35	100.00
2	L&T Global Holdings Limited	UAE	100.00	100.00	100.00	100.00
3	Larsen & Toubro Arabia LLC	Kindgom of Saudi Arabia	75.00	75.00	75.00	75.00
4	L&T Hydrocarbon Saudi Company	Kindgom of Saudi Arabia	100.00	100.00	100.00	100.00
5	L&T Modular Fabrication Yard LLC	Sultanate of Oman	70.00	70.00	70.00	70.00
6	Larsend & Toubro Electromech LLC	Sultanate of Oman	70.00	70.00	70.00	70.00
7	Larsen & Toubro Kuwait Construction General Contracting Co. W.L.L.	Kuwait	49.00	49.00	49.00	49.00
8	Larsen & Toubro Heavy Engineering LLC [a]	Sultanate of Oman	70.00	70.00	70.00	70.00
9	PT Larsen and Toubro	Indonesia	100.00	100.00	100.00	100.00

[a] Under liquidation

Associate Companies :

Sr. No.	Name of associate	Principal place of business	As at 31-3-2026		As at 31-3-2025	
			Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)	Proportion of direct ownership (%)	Proportion of effective ownership interest /voting power(%)
1	Gujarat Leather Industries Limited [1]	India	50.00	50.00	50.00	50.00
2	Magtorq Private Limited	India	42.85	42.85	42.85	42.85
2	E2E Networks Limited	India	18.45	18.45	14.92	14.92

[1] Under liquidation

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [48]

Disclosure pursuant to Ind AS 27 "Separate Financial Statements" *(contd.)*

Joint Ventures :

Sr. No.	Name of the joint venture	Principal place of business	As at 31-3-2026		As at 31-3-2025	
			Proportion of effective ownership interest (%)	Proportion of effective ownership interest (%)	Proportion of effective ownership interest (%)	Proportion of effective ownership interest (%)
1	L&T Howden Private Limited	India	50.10	50.10	50.10	50.10
2	L&T-MHI Power Boilers Private Limited	India	51.00	51.00	51.00	51.00
3	L&T-MHI Power Turbine Generators Private Limited	India	51.00	51.00	51.00	51.00
4	Raykal Aluminium Company Private Limited	India	75.50	75.50	75.50	75.50
5	L&T MBDA Missile Systems Limited	India	51.00	51.00	51.00	51.00
6	L&T Offshore Marine Private Limited [a]	India	–	–	60.00	60.00
7	L&T-Sargent & Lundy Limited	India	50.00	50.00	50.00	50.00
8	GH4India Private Limited	India	33.33	33.33	33.33	33.33

[a] Formerly known as L&T Sapura Shipping Private Limited-Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f. January 21, 2026 due to purchase of balance stake

NOTE [49]

Basic and diluted Earnings per Share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":

Particulars		2025-26	2024-25
Basic earnings per share			
Net profit after tax (₹ crore)	A	6287.13	10870.72
Weighted average number of equity shares outstanding	B	1,37,54,83,612	1,37,49,93,122
Basic EPS(₹)	A/B	45.71	79.06
Diluted earnings per share			
Net profit after tax (₹ crore)	A	6287.13	10870.72
Weighted average number of equity shares outstanding	B	1,37,54,83,612	1,37,49,93,122
Add: Weighted average number of potential equity shares on account of employee stock options	C	6,75,693	10,46,884
Weighted average number of equity shares outstanding for diluted EPS	D=B+C	1,37,61,59,305	1,37,60,40,006
Diluted EPS(₹)	A/D	45.69	79.00
Face value per share (₹)		2	2

NOTE [50]

Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

a) Movement in provisions:

₹ crore

Sr no	Particulars	Class of provisions					
		Product warranties	Expected tax liability in respect of indirect taxes	Litigation related obligation	Contractual rectification cost-construction contracts	Onerous contracts	Total
1	Balance as at April 1, 2025	5.31	371.25	12.69	572.24	535.30	1496.79
2	Additional Provision during the year	2.27	97.36	35.65	534.02	165.85	835.15
3	Provision used during the year	–	(23.33)	–	(17.70)	(147.32)	(188.35)
4	Provision reversed during the year	(0.41)	(16.85)	(1.02)	(416.83)	(92.69)	(527.80)
5	Balance as at March 31, 2026 (5=1+2+3+4)	7.17	428.43	47.32	671.73	461.14	1615.79

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [50]

Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" *(contd.)*

b) Nature of provisions:

i. Product warranties: The Company gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as at March 31, 2026 represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of 1 to 3 years from the date of Balance Sheet.

ii. Expected tax liability in respect of indirect taxes represents mainly the differential sales tax liability on account of non-collection of declaration forms.

iii. Provision for litigation related obligations represents liabilities that are expected to materialise in respect of matters in appeal.

iv. Contractual rectification cost represents the estimated cost the Company is likely to incur during defect liability period as per the contract obligations in respect of completed construction contracts accounted under Ind AS 115 "Revenue from Contracts with customers".

v Onerous contracts provision includes provision for foreseeable losses on construction contracts wherever it was probable that total contract costs will exceed total contract price.

vi It is not practicable to estimate the timings of cash outflows, if any, in respect of provisions (ii) to (v).

c) Disclosure in respect of contingent liabilities is given as part of Note 29 to the Balance Sheet.

NOTE [51]

The expenditure on research and development activities is as follows:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
(i)	Recognised as expense in the Statement of Profit and Loss	174.37	171.86
(ii)	Capital Expenditure on:		
	(a) tangible assets	2.24	2.40
	(b) other intangible assets	0.19	0.77
(iii)	Expenditure customer funded.	0.92	1.89

NOTE [52]

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management

(a) Foreign exchange rate and interest rate risk:

The Company regularly reviews its foreign currency and interest rate related exposures – both hedged and open. The Company primarily follows cash flow hedge accounting for Highly Probable Forecasted Exposures (HPFE), hence, the movement in mark to market (MTM) of the hedge contracts undertaken for such exposures is likely to be offset by contra movements in the underlying exposures values. However, till the point of time that the HPFE becomes an on-balance sheet exposure, the changes in MTM of the hedge contracts will impact the Balance Sheet of the Company. Further, given the effective horizons of the Company's risk management activities which coincide with the durations of the projects under execution, which could extend across 3-4 years and given the business uncertainties associated with the timing and estimation of the project exposures, the recognition of the gains and losses related to these instruments may not always coincide with the timing of gains and losses related to the underlying economic exposures and, therefore, may affect the Company's financial condition and operating results. The Company monitors the potential risk arising out of the market factors like exchange rates, interest rates, price of traded investment products etc. on a regular basis. For on-balance Sheet exposures, the Company monitors the risks on net unhedged exposures.

(i) Foreign exchange rate risk:

The Company has both receivable and payable exposures in foreign currency. Accordingly, changes in exchange rates may adversely affect the Company's revenues, cost, and profitability. There is a risk that the Company may also have to adjust the local currency product pricing due to competitive pressures when there has been significant volatility in foreign currency exchange rates.

The Company may enter foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with existing assets and liabilities, firm commitments , forecasted future cash flows and net investments in foreign subsidiaries. In addition, the Company has entered, and may enter in future, into non-designated foreign currency

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [52]

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management *(contd.)*

contracts to partially offset the foreign currency exchange gains and losses on its foreign-denominated debt issuances. The Company's practice is to hedge a portion of its material net foreign exchange exposures with tenors in line with the project/business life cycle. The Company may also choose not to hedge certain foreign exchange exposures.

The net exposure to foreign currency risk (based on notional amount) in respect of recognised financial assets, recognised financial liabilities and derivatives for major categories is as follows:

₹ crore

Particulars	As at 31-3-2026				
	US Dollars including pegged currencies	EURO	Japanese Yen	Kuwaiti Dinar	British Pound
Net exposure to foreign currency risk in respect of recognised financial assets/(recognised financial liabilities)	828.43	(1206.80)	(264.38)	(67.63)	(8.58)
Derivatives including embedded derivatives for hedging receivable/ (payable) exposure with respect to non-financial assets/(liabilities)	1965.66	66.30	67.67	967.68	–
Derivatives including embedded derivatives for hedging receivable/ (payable) exposure with respect to firm commitments and highly probable transactions	(21378.11)	(8587.18)	(752.00)	295.69	(84.96)
Receivable/(payable) exposure with respect to forward contracts and embedded derivatives not designated as cash flow hedge	(2770.00)	(650.57)	0.12	–	(40.19)

₹ crore

Particulars	As at 31-3-2025				
	US Dollars including pegged currencies	EURO	Japanese Yen	Kuwaiti Dinar	British Pound
Net exposure to foreign currency risk in respect of recognised financial assets/(recognised financial liabilities)	(1088.59)	(395.96)	(165.01)	(79.94)	84.54
Derivatives including embedded derivatives for hedging receivable/ (payable) exposure with respect to non-financial assets/(liabilities)	10.43	–	–	11.59	-
Derivatives including embedded derivatives for hedging receivable/ (payable) exposure with respect to firm commitments and highly probable transactions	(10255.87)	(5938.46)	1257.80	1069.94	(60.92)
Receivable/(payable) exposure with respect to forward contracts and embedded derivatives not designated as cash flow hedge	(1970.81)	(44.63)	7.17	0.00	(73.89)

To provide a meaningful assessment of the foreign currency risk associated with the Company's foreign currency derivative positions against off-balance sheet exposures and unhedged portion of on-balance sheet financial assets and liabilities, the Company uses a multi-currency correlated value-at-risk ("VAR") model. The VAR model uses a Monte Carlo simulation to generate thousands of random market price paths for foreign currencies against Indian rupee taking into account the correlations between them. The VAR is the expected loss in value of the exposure due to overnight movement in spot exchange rates, at 95% confidence interval. The VAR model is not intended to represent actual losses but is used as a risk estimation tool. The model assumes normal market conditions and is a historical best fit model. Because the Company uses foreign currency instruments for hedging purposes, the loss in fair value incurred on those instruments is generally offset by increases in the fair value of the underlying exposures for on-balance sheet exposures. The overnight VAR for the Company at 95% confidence level is ₹ 200.50 crore as at March 31, 2026 and ₹ 69.23 crore as at March 31, 2025.

Actual future gains and losses associated with the Company's investment portfolio and derivative positions may differ materially from the sensitivity analysis performed as at March 31, 2026 due to the inherent limitations associated with predicting the timing and amount of changes in foreign currency exchanges rates and the Company's actual exposures and position.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [52]

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management *(contd.)*

(ii) Interest rate risk:

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. While most of the Company's outstanding long-term debt in local currency is on fixed rate basis and hence not subject to interest rate risk. The short-term borrowings\instruments are subject to change in interest rates. A major portion of foreign currency debt is linked to international interest rate benchmarks like SOFR. The Company may hedge a portion of these risks by way of derivatives instruments like interest rate swaps and currency swaps.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Floating rate borrowings	244.71	494.38

A hypothetical 50 basis point shift in respective currency SOFR and other benchmarks, holding all other variables constant, on the unhedged loans would result in a corresponding increase/decrease in interest cost for the Company on a yearly basis as follows:

₹ crore

Particulars	Impact on Profit and Loss after tax		Impact on Equity	
	2025-26	2024-25	At at 31-3-2026	At at 31-3-2025
Indian Rupee				
Interest rates -increase by 0.5% in INR interest rate	(0.003)	(0.01)	(0.003)	(0.01)
Interest rates -decrease by 0.5% in INR interest rate	0.003	0.01	0.003	0.01
US Dollar				
Interest rates -increase by 0.5% in USD interest rate	(0.91)	(1.84)	(0.91)	(1.84)
Interest rates -decrease by 0.5% in USD interest rate	0.91	1.84	0.91	1.84

(b) Liquidity Risk Management:

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through adequate committed credit lines. Given the need to fund diverse businesses, the Company maintains flexibility by need based drawing from committed credit lines. Management regularly monitors the position of cash and cash equivalents. The maturity profiles of financial assets and financial liabilities including debt financing plans and liquidity ratios are considered while reviewing the liquidity position.

The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The Company uses a combination of internal and external tools to execute its investment strategy and achieve its investment objectives. The Company typically invests in money market funds, large debt funds, Government of India securities, equity funds and other highly-rated securities under a exposure limit framework. The investment policy focuses on minimising the potential risk of principal loss. To provide a meaningful assessment of the price risk associated with the Company's investment portfolio, the Company performed a sensitivity analysis to determine the impact of change in prices of the securities on the value of the investment portfolio assuming a 0.5% movement in the fair market value of debt funds and debt securities, a 1% movement in market value of REITs/InvITs and a 5% movement in the NAV of the equity funds as below:

₹ crore

Particulars	Increase/(decrease) in investment value	
	As at 31-3-2026	As at 31-3-2025
Debt funds and debt securities – increase by 0.50% in fair market value	76.37	73.48
Debt funds and debt securities – decrease by 0.50% in fair market value	(76.37)	(73.48)
REITs/InvITs – increase by 1% in market value	55.17	33.36
REITs/InvITs – decrease by 1% in market value	(55.17)	(33.36)
Equity funds– increase by 5% in NAV	8.32	1.21
Equity funds– decrease by 5% in NAV	(8.32)	(1.21)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [52]

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management *(contd.)*

(c) Credit Risk Management:

The Company's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases, retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within the organisation to ensure proper attention and focus for realisation.

(i) The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is disclosed in Note [41](c)

(ii) Trade receivable written off during the year but still enforceable for recovery amounts to ₹ 45.39 crore (previous year: Nil)

(d) Commodity price risk management:

The Company bids for and executes EPC projects on a turnkey basis. EPC projects entail procurement of various equipment and materials which may have direct or indirect linkages to commodity prices like steel (both long and flat steel), copper, aluminum, zinc, lead, nickel, cement etc. Accordingly, the Company is exposed to the price risk on these commodities. To mitigate the risk of commodity prices, the company relies on contractual provisions like pass through of prices, price variation provisions etc., and further uses hedging instruments where available (refer Note 53 (e)(iii)). There is a certain residual risk carried by the Company that cannot be hedged against.

The Company is also exposed to contingent risk on account of commodity price movements that may not be fully offset by contractual provisions in the projects that it has bid for but which are not awarded yet. Commodity prices have been volatile and have witnessed substantial two-way movements during the financial year. This may impact the margin on projects where the Company has submitted bids on a firm price basis. However, for projects where the Company is eligible for an adjustment, based on price variation clause, the actual impact will depend on the exact project wins and the relative contractual provisions therein.

The table given in the Risk Management section of Management Discussion and Analysis lists out the commodity exposure for the year (only for projects that been awarded and are under execution).

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets and liabilities and fair value hierarchy

₹ crore

Particulars	Note	As at 31-3-2026					As at 31-3-2025				
		Carrying value	Fair value				Carrying value	Fair value			
			Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Financial assets:											
(a) Measured at Amortised cost:											
(i) Loans	6,14	1161.40					1361.69				
(ii) Investment in CBLO, Commercial Paper and Certificate of Deposit	10	3190.36					875.83				
(iii) Trade receivables	11	45330.30		[1]			38330.18		[1]		
(iv) Other recoverable	15	1078.59					1069.54				
(v) Cash and cash equivalents and bank balances	7,12,13	7792.40					4477.68				
(vi) Other receivables	7,15	1874.07					2622.07				
(b) Measured at FVTPL:											
(i) Equity shares (other than those held in subsidiary, joint ventures & associate companies)	5	217.69	116.29	–	101.40	217.69	97.43	6.89	–	90.54	97.43
(ii) Preference shares	10	–	–	–	–	–	53.02	–	–	53.02	53.02
(iii) Mutual fund units	10	2202.55	2202.55	–	–	2202.55	5159.07	5159.07	–	–	5159.07
(iv) Bonds	10	694.28	694.28	–	–	694.28	217.20	217.20	–	–	217.20
(v) InvITs	10	6577.43	6577.43	–	–	6577.43	3980.37	3980.37	–	–	3980.37
(vi) Derivative instruments not designated as cash flow hedges	7,15	78.16	–	78.16	–	78.16	38.18	–	38.18	–	38.18
(vii) Embedded derivative Instruments not designated as cash flow hedges	7,15	344.62	–	344.62	–	344.62	229.14	–	229.14	–	229.14

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": *(contd.)*

₹ crore

Particulars	Note	As at 31-3-2026					As at 31-3-2025				
		Carrying value	Fair value				Carrying value	Fair value			
			Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
(c) Measured at FVTOCI:											
(i) Debt instruments viz. government securities, bonds and debentures	10	16947.94	16647.94	300.00	–	16947.94	14502.80	14502.80	–	–	14502.80
Others											
(ii) Derivative financial instruments designated as cash flow hedges	7,15	2043.04	–	2043.04	–	2043.04	583.92	–	583.92	–	583.92
(iii) Embedded derivative financial instruments designated as cash flow hedges	7,15	545.60	–	545.60	–	545.60	77.22	–	77.22	–	77.22
Financial Liabilities:											
(a) Measured at Amortised cost:											
(i) Borrowings	19, 23, 24										
Redeemable non-convertible fixed rate debentures		10179.87	–	10068.93	–		15994.49	–	16115.70	–	
Other borrowings		1593.46					5940.38				
(ii) Trade payables											
Due to micro enterprises and small enterprises		1524.75		[2]			1170.16		[2]		
Due to others	25	47615.76					37625.83				
(iii) Lease liabilities		884.64					360.37				
(iv) Others		3814.50					3152.11				
(b) Measured at FVTPL:											
(i) Derivative instruments not designated as cash flow hedges	20,26	89.43	–	89.43	–	89.43	17.14	–	17.14	–	17.14
(ii) Embedded derivative instruments not designated as cash flow hedges	20,26	14.01	–	14.01	–	14.01	22.03	–	22.03	–	22.03
(c) Measured at FVTOCI:											
(i) Derivative financial instruments designated as cash flow hedges	20,26	1479.75	–	1479.75	–	1479.75	319.75	–	319.75	–	319.75
(ii) Embedded derivative financial instruments designated as cash flow hedges	20,26	–	–	–	–	–	56.30	–	56.30	–	56.30
(d) Financial guarantee contracts:		71.39		[2]		71.39	25.94		[2]		25.94

Notes

[1] The carrying amounts of trade receivables, loans, advances, investments in CBLO, Commercial Paper and Certificate of Deposit and cash & other bank balances are considered to be the same as their fair values due to their short-term nature. The carrying amounts of long-term loans given with floating rate of interest are considered to be close to the fair value

[2] The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short term nature. The carrying amounts of current borrowings at fixed rate and other borrowings at floating rate and financial guarantee contracts are considered to be close to the fair value.

Valuation technique and key inputs used to determine fair value:

A. Level 1: Equity shares, bonds, InvITs, debentures and government securities - Quoted price in the active market and mutual funds - at published NAV

B. Level 2: Derivative Instruments – Mark to market on forward covers and embedded derivative instruments is based on forward exchange rates at the end of reporting period and discounted using G-sec rate plus applicable spread.

Redeemable non-convertible fixed rate debentures is based on future cash flows discounted using market rates

C. Level 3: Equity and preference shares using significant unobservable inputs

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": *(contd.)*

(b) Items of income, expense, gains or losses related to financial instruments:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
I	Net gains/(losses) on financial assets, financial liabilities measured at fair value through Profit or Loss and amortised cost		
A	(i) Financial assets or financial liabilities mandatorily measured at fair value through Profit or Loss:		
	1. Gains/(losses) on fair valuation or sale of Investments	977.62	440.13
	2. Gains/(losses) on fair valuation/settlement of derivative:		
	a. On forward contracts not designated as cash flow hedges	(38.09)	7.96
	b. On embedded derivatives contracts not designated as cash flow hedges	309.01	191.33
	c. On futures not designated as cash flow hedges	(38.42)	26.94
	Sub-total (A)	1210.12	666.36
B	Financial assets measured at amortised cost:		
	(i) Exchange gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade receivables, loans given etc.)	1510.54	197.55
	(ii) (Allowance)/reversal for expected credit loss during the year	(449.22)	(580.16)
	(iii) Reversal of provision for impairment loss (other than expected credit loss) [net]	13.91	141.74
	(iv) Gains/(losses) on derecognition:		
	1. Bad debts (written off)/written back (net)	(206.48)	(21.03)
	2. Gains/(losses) on transfer of financial assets (on non-recourse basis)	(3.07)	(2.30)
	Sub-total (B)	865.68	(264.20)
C	Financial liabilities measured at amortised cost:		
	(i) Exchange gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade payables, borrowing availed etc.)	(951.55)	(302.38)
	(ii) Unclaimed credit balances written back	82.63	264.46
	Sub-total (C)	(868.93)	(37.92)
	Total [I] = (A+B+C)	1206.88	364.24
II	Net gains/(losses) on financial assets and financial liabilities measured at fair value through Other comprehensive income:		
A	Gains/(loses) recognised in Other comprehensive income:		
	(i) Financial assets measured at fair value through Other comprehensive income:		
	1. Gains/(losses) on fair valuation or sale of government securities, bonds, debentures etc.	(390.01)	281.33
	(ii) Derivative measured at fair value through Other comprehensive income :		
	1. Gains/(losses) on fair valuation or settlement of forward contracts designated as cash flow hedges	1881.20	376.04
	2. Gains/(losses) on fair valuation or settlement of embedded derivative contracts designated as cash flow hedges	545.47	(20.55)
	Sub-total (A)	2036.66	636.82
	Less:		
B	Gains/(losses) reclassified to Profit or Loss from Other comprehensive income:		
	(i) Financial assets measured at fair value through Other comprehensive income :		
	1. On government securities, bonds, debentures etc. upon sale	78.40	17.07
	(ii) Derivative measured at fair value through Other comprehensive income:		
	1. On forward contracts upon hedged future cash flows affecting the Profit or Loss or related asset or liability	568.14	43.03
	2. On embedded derivative contracts upon hedged future cash flows affecting the Profit or Loss or related asset or liability	15.89	15.80
	Sub-total (B)	662.43	75.90
	Net gains/(losses) recognised in Other comprehensive income [II]= (A)-(B)	1374.23	560.92

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": *(contd.)*

₹ crore

Sr. No.	Particulars	2025-26	2024-25
III	Other income/(expenses):		
A	Dividend income:		
	Dividend income from investments measured at FVTPL	38.35	19.54
	Sub- total (A)	38.35	19.54
B	Interest income:		
	(a) Financial assets measured at amortised cost	291.70	162.63
	(b) Financial assets measured at fair value through Other comprehensive income	1457.86	1117.02
	(c) Financial assets measured at fair value through Profit or Loss	86.38	88.40
	Sub- total (B)	1835.94	1368.06
C	Interest expense:		
	(a) Derivative instruments that are measured at fair value through Profit or Loss	0.94	(21.23)
	(b) Financial liabilities that are measured at amortised cost	(1378.70)	(1910.78)
	Sub- total (C)	(1377.76)	(1932.01)
	Total [III] = (A+B+C)	496.53	(544.41)

(c) Movement of items measured using unobservable inputs (Level 3):

₹ crore

Particulars	Equity Investment in Tidel Park Limited	Preference shares
Balance as at April 1, 2024	86.58	–
Addition during the year	–	53.02
Gains/(losses) recognised in Profit or Loss during 2024-25	3.85	–
Balance as at March 31, 2025	90.43	53.02
Gains/(losses) recognised in Profit or Loss during 2025-26	10.88	–
Disposal during 2025-26	–	(53.02)
Balance as at March 31, 2026	101.31	53.02

Significant unobservable inputs used in level 3 fair value measurements and sensitivity of the fair value measurement to changes in unobservable inputs.

Particulars	Fair value as at 31-3-2026 (₹ crore)	Fair value as at 31-3-2025 (₹ crore)	Significant unobservable inputs	Sensitivity
Investment in equity shares of Tidel Park Limited	101.31	90.43	31-3-2026 and 31-3-2025: 1. Net realization per month₹ 40 and ₹ 38 per sqft respectively. 2. Capitalisation rate 11.75% and 12.00% respectively	31-3-2026 and 31-3-2025: 1% change in net realization would result in +/- ₹ 0.35 crore (post tax- ₹ 0.26 crore) [PY:+/- ₹ 1.75 crore (post tax- ₹ 1.31 crore)] 25 bps change in capitalization rate would result in +/- ₹ 0.73 crore (post tax- ₹ 0.54 crore) [+/- ₹ 0.66 crore (post tax- ₹ 0.50 crore)]
Investment in preference shares	-	53.02	Not applicable	31-03-2025 The valuation is based on expected settlement

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": *(contd.)*

(d) Maturity Profile of Financial Liabilities (undiscounted values):

₹ crore

Particulars	Note	As at 31-3-2026			As at 31-3-2025		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
A. Non derivative liabilities:							
Borrowings	19, 23, 24	2323.46	13920.36	16243.82	13136.44	14051.04	27187.48
Trade payables:	25						
Due to micro enterprises and small enterprises		1502.13	22.62	1524.75	1170.16	–	1170.16
Due to others		45483.72	2132.04	47615.76	36896.12	729.71	37625.83
Other financial liabilities	20, 26	3730.15	155.74	3885.89	3083.65	94.40	3178.05
Lease liabilities		386.59	543.85	930.44	136.54	244.91	381.45
Total		53426.05	16774.61	70200.66	54422.91	15120.06	69542.97
B. Derivative liabilities:							
Forward contracts	20, 26	1396.30	189.10	1585.40	304.19	36.45	340.64
Embedded derivatives	20, 26	14.01	–	14.01	27.50	50.83	78.33
Total		1410.31	189.10	1599.41	331.69	87.28	418.97

(e) Details of outstanding hedge instruments for which hedge accounting is followed:

(i) Outstanding currency exchange rate hedge instruments

A. Forward covers taken to hedge exchange rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(a) Receivable hedges								
US Dollar	11992.04	94.72	10363.92	1628.12	9687.83	86.79	8963.77	724.06
Japanese Yen	3809.77	0.64	412.97	3396.80	3014.34	0.62	1299.97	1714.37
Euro	2340.64	109.44	1741.34	599.30	1158.62	94.83	1071.34	87.28
Qatari Riyal	988.87	25.70	988.87	–	1349.16	23.57	1341.85	7.32
Kuwaiti Dinar	1737.77	313.23	1599.26	138.51	1549.55	279.66	1367.67	181.88
Arab Emirates Dirham	652.15	25.77	631.48	20.67	734.74	23.46	723.77	10.97
Malaysian Ringgit	386.56	23.61	386.56	–	389.74	19.48	227.87	161.87
Saudi Riyal	277.13	24.74	277.13	–	167.47	23.14	167.47	–
Indonesian Rupiah	–	–	–	–	52.92	0.01	52.92	–
Omani Riyal	–	–	–	–	38.88	223.39	38.88	–
Chinese Yuan	–	–	–	–	7.39	12.00	7.39	–

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(b) Payable hedges								
US Dollar	26919.26	94.27	20496.84	6422.42	20873.13	87.85	13609.19	7263.94
Euro	12135.26	107.15	10823.56	1311.70	8710.83	93.16	7382.89	1327.94
Japanese Yen	4378.61	0.60	3814.55	564.06	1671.83	0.59	1326.49	345.34
Saudi Riyal	1597.01	25.15	1597.01	–	702.32	22.80	702.32	–
Qatari Riyal	1236.50	25.95	1236.50	–	493.38	23.79	493.38	–
Arab Emirates Dirham	1182.50	25.65	947.88	234.62	918.71	23.60	918.71	–
Singapore Dollars	392.16	75.41	392.16	–	–	–	–	–
Kuwaiti Dinar	391.70	305.55	391.70	–	218.07	281.22	218.07	–
Swiss Franc	263.36	121.51	254.67	8.69	203.30	98.72	196.60	6.70
British Pound	145.05	126.66	136.95	8.09	82.10	111.43	73.04	9.05
Indonesian Rupiah	50.38	0.01	–	50.38	–	–	–	–
Canadian Dollar	7.20	67.93	7.20	–	–	–	–	–
Swedish Krona	0.62	10.06	0.62	–	0.53	8.59	0.53	–
Chinese Yuan	–	–	–	–	15.57	12.00	15.57	–

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": *(contd.)*

B. Forward covers accounted as Net Investment Hedge:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Receivable:								
US Dollars	226.79	94.10	226.79	–	318.13	86.92	318.13	–
Arab Emirates Dirham	3.26	25.60	3.26	–	15.92	23.49	15.92	–

C. Options contract:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Receivable hedges:								
US Dollars/Japanese Yen	259.47	[1]	–	259.47	508.95	[1]	–	508.95

[1] The options contracts include a combination of cross currency calls and puts with different maturities and strike prices.

(ii) Interest rate swaps taken to hedge interest rate risk and accounted as cash flow hedge:

Outstanding interest rate hedge instruments:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average Rate (%)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average Rate (%)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Floating interest rate borrowings - INR	1400.00	6.26	–	1400.00	–	–	–	–

(iii) Outstanding commodity price hedge instruments

A. Commodity forward contract:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Copper(Tn)	3071.75	1106857.95	3012.83	58.92	1383.87	799083.26	1375.72	8.15
Aluminium(Tn)	2168.74	292693.47	1664.01	504.73	1144.19	224722.29	1058.89	85.29
Iron Ore(Tn)	57.72	9390.90	29.37	28.35	7.40	7252.07	7.40	–
Coking Coal(Tn)	3.07	10044.35	3.07	–	–	–	–	–
Nickel(Tn)	207.27	1428434.64	207.27	–	89.58	1468458.31	89.58	–
Lead(Tn)	22.81	193341.74	22.81	–	36.55	177848.50	36.55	–

B. Commodity options contract:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Aluminium (Tn)	440.79	[1]	440.79	–	183.97	[1]	183.97	–
Copper (Tn)	1294.79	[1]	1294.79	–	173.52	[1]	173.52	–

[1] The options contracts include a combination of calls and puts with different maturities and strike prices.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": *(contd.)*

(f) Carrying amounts of hedge instruments for which hedge accounting is followed:

A. Cash flow hedge:

₹ crore

Particulars	As at 31-3-2026			As at 31-3-2025		
	Currency exposure	Interest rate exposure	Commodity price exposure	Currency exposure	Interest rate exposure	Commodity price exposure
(i) Forward contracts including embedded derivatives						
Current:						
Asset - Other financial assets	1675.72	–	532.74	373.21	–	46.39
Liability - Other financial liabilities	1159.81	–	117.06	228.82	–	53.19
Non current:						
Asset - Other financial assets	251.22	–	7.22	102.35	–	0.33
Liability - Other financial liabilities	107.76	–	29.91	64.31	–	0.27
(ii) Option contracts						
Current:						
Asset - Other financial assets	37.57	–	40.04	72.63	–	16.97
Liability - Other financial liabilities	1.61	–	26.26	–	–	9.34
Non current:						
Asset - Other financial assets	13.73	–	30.40	26.23	–	20.79
Liability - Other financial liabilities	–	–	–	0.01	–	20.11
(iii) Swap contracts						
Non current						
Liability - Other financial liabilities	–	30.61	–	–	–	–

B. Net Investment Hedge:

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
	Currency exposure	Commodity price exposure	Currency exposure	Commodity price exposure
Forward contracts				
Current:				
Asset - Other financial assets	–	–	2.23	–
Liability - Other financial liabilities	6.73	–	–	–

(g) Breakup of hedging reserve & cost of hedging reserve balance:

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
	Cash flow hedging reserve	Cost of hedging reserve	Cash flow hedging reserve	Cost of hedging reserve
Balance towards continuing hedges	1198.90	108.16	30.04	138.38
Balance for which hedge accounting discontinued	586.61	–	162.07	–

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [53]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": *(contd.)*

(h) Reclassification of hedging reserve & cost of hedging reserve to Profit or Loss

₹ crore

Particulars	Hedging reserve/Cost of hedging reserve	
	2025-26	2024-25
Future cash flows are no longer expected to occur:		
Sales, administration and other expenses	1.45	(53.18)
Hedged expected future cash flows affecting Profit or Loss:		
Progress billing	(245.41)	(61.19)
Revenue from operation	182.84	38.65
Manufacturing ,construction and operating expenses	347.38	75.74
Sales, administration and other expenses	52.36	(2.38)

(i) Movement of hedging reserve & cost of hedging reserve

₹ crore

Hedging reserve	2025-26			2024-25		
	Gross	Tax	Net of Tax	Gross	Tax	Net of Tax
Opening balance	274.55	(82.44)	192.11	107.77	(40.88)	66.89
Changes in the spot element of the forward contracts which is designated as hedging instrument for time period related hedges	(20.94)	5.27	(15.67)	5.34	(1.33)	4.01
Changes in fair value of forward contracts designated as hedging instruments	2624.86	(661.17)	1963.69	185.93	(46.33)	139.60
Amount reclassified to Profit or Loss	(719.44)	181.22	(538.22)	(85.71)	21.36	(64.35)
Amount included in non-financial asset/liability	–	–	–	0.03	(0.01)	0.02
Amount included in Progress Billing in balance sheet	245.41	(61.82)	183.59	61.19	(15.25)	45.94
Closing balance	2404.44	(618.93)	1785.51	274.55	(82.44)	192.11

₹ crore

Cost of hedging reserve	2025-26			2024-25		
	Gross	Tax	Net of Tax	Gross	Tax	Net of Tax
Opening balance	184.91	(46.53)	138.38	(6.25)	1.57	(4.68)
Changes in the forward element of the forward contracts where changes in spot element of forward contract is designated as hedging instrument for time period related hedges	(177.25)	44.61	(132.64)	164.28	(41.33)	122.95
Amount reclassified to Profit or Loss	135.42	(33.00)	102.42	26.88	(6.77)	20.11
Closing balance	143.08	(34.92)	108.16	184.91	(46.53)	138.38

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [54]

Disclosure pursuant to Ind AS 116 "Leases"

(a) Where the Company is a lessor:

Operating leases: The Company has given land,buildings and plant & equipment under operating lease. The lease income received during the year is ₹ 252.05 crore (previous year: ₹ 198.81 crore). Leases are renewed only on mutual consent and at a prevalent market price and sub-lease is generally restricted.

Annual undiscounted lease payments receivable is as under:

₹ crore

Particulars	Upto 1 year	1 – 2 years	2-3 years	3-4 years	4-5years	Beyond 5 years	Total
As at 31-3-2026	198.99	182.32	140.64	59.55	46.82	287.26	915.58
As at 31-3-2025	157.36	143.20	135.42	93.77	49.53	334.34	913.62

(b) Where the Company is a lessee:

The Company has taken various assets on lease such as, plant and equipment, land,buildings, office premises, vehicles and computer equipment. Generally, leases are renewed only on mutual consent and at a prevalent market price and sub-lease is restricted.

Details with respect to right-of-use assets:

₹ crore

Class of asset	Depreciation for the year		Additions during the year		Carrying amount	
	2025-26	2024-25	2025-26	2024-25	As at 31-3-2026	As at 31-3-2025
Land	8.59	7.61	7.15	20.78	269.77	271.20
Buildings	212.42	110.62	685.60	115.56	651.66	195.02
Plant & equipment	3.71	6.89	–	–	0.11	3.82
Vehicles	30.84	11.57	90.86	98.29	145.40	91.85
Total	255.56	136.69	783.61	234.63	1066.94	561.89

i. Interest expense on lease liabilities amounts to ₹ 55.93 crore (previous year: ₹ 26.41 crore).

ii. The expense relating to payments not included in the measurement of lease liability and recognized as expense in the Statement of Profit and Loss during the year are as follows:

- Low value leases - ₹ 10.96 crore (previous year: ₹ 82.71 crore)
- Short-term leases - ₹ 4293.70 crore (previous year: ₹ 4009.84 crore) and

iii. Total cash out flow for leases amounts to ₹ 4277.95 crore during the year (previous year: ₹ 4099.20 crore) including cash outflow of short-term and low value leases.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [55]

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at March 31, 2026. The disclosure pursuant to the said Act is as under:

₹ crore

Particulars	2025-26	2024-25
Principle amount due to suppliers under MSMED Act, 2006	188.46	152.19
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	6.46	4.91
Payment made to suppliers (other than interest) beyond the appointed day during the year	3104.49	1190.63
Interest paid to suppliers under MSMED Act (Section 16)	1.41	0.87
Interest due and payable towards suppliers under MSMED Act for payments already made	26.44	21.11
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	49.67	38.37
Amount of further interest remaining due and payable even in the succeeding years	0.71	0.67

NOTE [56]

There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2026.

NOTE 57

Disclosures pursuant to regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Sr. No.	Nature of the transaction (loans given)	Purpose for which the loan is proposed to be utilised by the recipient	Rate of Interest for loan outstanding as at 31-3-2026	Balance as at		Maximum outstanding during	
				31-3-2026	31-3-2025	2025-26	2024-25
(i)	L&T Special Steels & Heavy Forgings Private Limited [1]	Working Capital and Project funding	7.00%	1623.16	1905.16	1941.26	1905.16
(ii)	Nabha Power Limited	FGD Project funding	10.50%	548.39	495.22	548.39	495.22
(iii)	L&T Geostructure Private Limited	Project funding	7.00%	8.25	13.26	13.26	18.90
(iv)	L&T Offshore Marine Private Limited (formerly known as L&T Sapura Shipping Private Limited) Share Holder Loan	Working Capital and Support for refinancing of loan taken for vessel	5.50%	251.98	218.12	251.98	218.12
(v)	L&T Energy Green Tech Limited	Working Capital and Project funding	–	–	–	–	28.23
(vi)	Business Park (Powai) Private Limited	Working Capital	–	–	–	–	19.03
(vii)	L&T Semiconductor Technologies Limited	Working Capital	–	–	–	22.16	–
	Total			2431.78	2631.76		

[1] Excluding impairment of ₹ 1270.45 crore (previous year: ₹ 1270.45 crore)

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [57] ***(contd.)***

Notes:

I. Above loans are unsecured.

II. Above figures include interest accrued.

III. Loans to employees (including directors) under various schemes of the company have been considered to be outside the purview of disclosure requirements.

IV. Subsidiary classification is in accordance with the Companies Act, 2013.

Sr. No.	Nature of the transaction (investment made/guarantee given/security provided)	Purpose for which the guarantee/security is proposed to be utilised by the recipient	Balance as at	
			31-3-2026	31-3-2025
(A)	**Guarantees given to Subsidiary & Joint venture Companies**			
(i)	L&T - MHI Power Turbine Generators Private Limited	Corporate guarantee given for subsidiary's financial obligations	209.10	211.67
(ii)	L&T Metro Rail (Hyderabad) Limited	Corporate guarantee for subsidiary's financial obligations	8616.00	8616.00
(iii)	Larsen & Toubro Arabia LLC	Corporate guarantee for subsidiary's performance obligations	17389.48	16840.10
(iv)	L&T Technology Services Limited	Corporate guarantee for subsidiary's performance obligations	544.98	503.19
(v)	L&T Technology Services LLC	Corporate guarantee for subsidiary's performance obligations	189.67	170.95
(vi)	Larsen & Toubro (Saudi Arabia) LLC	Corporate guarantee for subsidiary's performance obligations	20890.94	19216.49
(vii)	LTM Limited (formerly known as LTIMindtree Limited)	Corporate guarantee for subsidiary's performance obligations	653.97	552.54
(viii)	L&T Hydrocarbon Saudi Company LLC	Corporate guarantee for subsidiary's performance obligations	46385.96	54257.11
(ix)	L&T- MHI Power Boilers Private Limited	Guarantees issued by bank out of the Company's sanctioned limits for subsidiary's performance obligations	19.59	19.41
(x)	Nabha Power Limited	Guarantees issued by bank out of the Company's sanctioned limits for Subsidiary's financial obligations	-	216.00
(xi)	L&T Special Steels & Heavy Forgings Private Limited	Guarantees issued by bank out of the Company's sanctioned limits for Subsidiary's performance obligations	-	13.27
(xii)	L&T Realty Properties Limited	Guarantees issued by bank out of the Company's sanctioned limits for CTO and CTE compliances to Maharashtra Pollution Control Board and for performance obligations	4.00	4.00
(xiii)	L&T Geostructure Private Limited	Guarantees issued by bank out of the Company's sanctioned limits for Subsidiary's performance obligations	559.00	559.00
(xiv)	Larsen & Toubro International FZE	Corporate guarantee for subsidiary's performance obligations	24053.05	21679.07
(xv)	LTH Milcom Private Limited	Corporate guarantee for subsidiary's performance obligations	4.09	4.09
(xvi)	L&T Electrolysers Limited	Guarantees issued by bank to Solar Energy Corporation of India Ltd., New Delhi-SIGHT scheme (PLI) for Subsidiary's performance obligations	44.40	44.40
(xvii)	L&T Energy Green Tech Limited	Guarantees issued by bank to Deendayal Port Authority, Solar Energy Corporation of India Ltd., IOCL, BPCL & HPCL for performance obligation	158.26	173.24
	Total		119722.49	123080.53
(B)	**Investments in fully paid equity instruments and Current Investments**		[Note 5 and Note 10]	

Notes: Subsidiary classification is in accordance with the Companies Act, 2013.

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [58]

Following are the analytical ratios for the year ended March 31, 2026, and March 31, 2025

₹ crore

Ratio	Numerator	Denominator	As at 31-3-2026	As at 31-3-2025	Variance %	Reason of Variance [If change is more than 25%]
Current Ratio (times)	Current Assets	Current Liabilities	1.29	1.27	1.7%	
Debt Equity Ratio (times)	Total debt	Shareholder's Equity	0.16	0.31	-48.2%	The variance is on account of repayment of borrowings during the year.
Debt Service Coverage Ratio (times)	Earnings available for debt service [1]	Debt Service [2]	1.81	2.14	-15.6%	
Return on Equity Ratio (%)	Profit for the year after tax	Average Shareholder's Equity	8.59%	15.94%	-46.1%	The variance is on account of Exceptional items recognized during the year
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	NA[3]	NA[3]	NA	
Trade Receivables Turnover Ratio	Revenue from operations	Average Gross Trade Receivables	3.31	3.39	-2.4%	
Trade Payables Turnover Ratio	Purchases [4]	Average Trade Payables	2.87	2.93	-2.3%	
Net Capital Turnover Ratio	Revenue from operations	Average Working Capital	4.78	5.29	-9.6%	
Net Profit Ratio (%)	Profit for the year after tax	Revenue from Operations	4.09%	7.63%	-46.4%	The variance is on account of Exceptional items recognized during the year
Return on Capital Employed (%)	Profit after tax + Finance Cost (net off tax on Finance Cost)	Average Capital Employed [5]	8.17%	13.45%	-39.2%	The variance is on account of Exceptional items recognized during the year
Return on Investment (%)	Treasury Income [6]	Average investment [7]	9.88%	11.25%	-12.2%	

[1] Profit before interest, tax and exceptional items

[2] Finance cost + Principal repayments (net of refinancing) made during the year for long term borrowings

[3] Not material considering the size and the nature of operations of the Company

[4] Includes Manufacturing, construction and operating expenses

[5] Includes Equity and average loan funds (including interest bearing advances)

[6] Includes profit/loss on sale and fair valuation of current investments, dividend on current investment and interest income

[7] Includes current investment, Inter corporate deposits, Fixed deposits and Collaterised Borrowing and Lending Obligation

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [59]

Exceptional items (before tax) for 2025-26 is on account of the following:

(i) The Company has signed a Share Purchase Agreement on April 29, 2026, with Hyderabad Metro Rail Limited, a Government of Telangana Enterprise, to divest its entire equity stake in its subsidiary L&T Metro Rail (Hyderabad) Limited ["LTMRHL"]. The transaction is subject to satisfaction of customary conditions and expected to get completed by June 30, 2026. Accordingly, the Company has written down its investment in LTMRHL to its net realisable value and recognised the impairment provision of ₹ 6013.00 crore as Exceptional items for the year.

(ii) Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', The New Labour Codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAI clarification, the Company has assessed and accounted the estimated incremental impact of ₹ 1108.73 crore (before tax) as Exceptional items in the financial statement for the year ended March 31, 2026.

Exceptional items (before tax) for 2024-25 includes the following:

(i) The Company entered into a Joint Venture Termination Agreement with Nuclear Power Corporation of India Limited (NPCIL) on February 18, 2025, for purchase of NPCIL's 26% equity and preference shareholdings in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF) and assignment of NPCIL loan to LTSSHF for a consideration of ₹ 170.00 crore. Pursuant to this, LTSSHF has become a wholly owned subsidiary of the Company with effect from February 18, 2025. The Exceptional Items during the year ended March 31, 2025, represents (a) partial reversal of funded resources impaired in earlier years: ₹ 459.94 crore and (b) reversal of provision towards constructive obligation: ₹ 14.84 crore.

NOTE [60]

Disclosure related to Corporate Social Responsibility (CSR):

₹ crore

Sr. No.	Particulars	2025-26	2024-25
(i)	Required to be spent	175.79	164.61
(ii)	Excess spend of previous year utilised	11.70	12.66
(iii)= (i)-(ii)	Spend obligation	164.09	151.95
(iv)	Actual spent	189.85	163.65
	Of which amount recognised in:		
(a)	Balance sheet	25.76	11.70
(b)	Statement of Profit and Loss	164.09	151.95
(v)	Excess spend shown as asset in previous year charged to Statement of Profit and Loss on its utilisation	11.70	12.66
(iv b)+(v)	Total amount shown in Statement of Profit and Loss	175.79	164.61

i. Refer Annexure C to the Board Report for the nature of CSR activities of the Company.

NOTE [61]

Auditors' remuneration (excluding GST):

₹ crore

Sr. No.	Particulars	2025-26	2024-25
a)	Paid as Auditor		
	(i) Statutory audit fees	2.50	4.68
	(ii) Limited review of standalone and consolidated financial statements on a quarterly basis	3.00	3.02
b)	For Taxation matters	0.50	0.50
c)	For other services including certification work	1.23	2.02
d)	For reimbursement of expenses	0.48	0.61
	Total	7.71	10.83

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [62]

Recent pronouncements:

The below amendments to the existing standard which are notified by Ministry of Corporate affairs but are not yet effective:

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.

NOTE [63]

a) Notes with respect to remarks in CARO Report:

L&T Special Steels and Heavy Forgings Private Limited (LTSSHF) has an overdue outstanding loan including interest aggregating to ₹ 1586.77 crore (the same is due for more than 90 days) to L&T (Company) as on March 31, 2026. In February 2025, LTSSHF became a wholly owned subsidiary of the Company on termination of JV with NPCIL, post which LTSSHF has aligned its business strategies with the Company and initiated measures to drive business growth and improve profitability. In parallel, Company has undertaken the necessary business and financial restructuring steps to strengthen the LTSSHF's position to service its debt and interest obligations in coming years.

(b) Balances with Struck off Companies

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
1	AT & LS Private Limited	Accounts Payables	NA	– [1]	– [1]
2	Terra Firma Promoters & Developers Private Limited	Accounts Payables	NA	0.14	0.14
3	Wipo Teleservices Private Limited	Accounts Payables	NA	0.06	0.06
4	Tropical Granites India Private Limited	Accounts Payables	NA	– [1]	– [1]
5	Akashdeep Plaza & Developers Private Limited	Accounts Payables	NA	– [1]	– [1]
6	Executive Engineer (E&M) M.I.D.C. Division Nagpur	Accounts Payables	NA	– [1]	– [1]
7	Payal Synthetics Private Limited	Accounts Payables	NA	– [1]	– [1]
8	Pranavam Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
9	The Rubber Products Limited	Accounts Payables	NA	– [1]	– [1]
10	Bently Nevada India Private Limited	Accounts Payables	NA	– [1]	– [1]
11	Rk Gautam Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
12	Probus Infratech Private Limited	Accounts Payables	NA	– [1]	– [1]
13	P S Steel Tubes Private Limited	Accounts Payables	NA	0.14	0.49
14	Planet Hard Consultancy Private Limited	Accounts Payables	NA	– [1]	– [1]
15	Priyanka Managment Solution (India) Private Limited	Accounts Payables	NA	0.49	0.48
16	Vertex Realtech Infra Private Limited	Accounts Payables	NA	0.48	0.49
17	Ramakrishna Power Tech Private Limited	Accounts Payables	NA	0.29	0.29

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [63]

(b) Balances with Struck off Companies *(contd.)*

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
18	D.B.Constructions Private Limited	Accounts Payables	NA	0.28	0.28
19	BRJS Contractors Private Limited	Accounts Payables	NA	0.23	0.24
20	Shree Kranti Infracon Private Limited	Accounts Payables	NA	0.22	0.22
21	Antilia Facility Management Private Limited	Accounts Payables	NA	0.15	0.15
22	Thakurai Engineering Private Limited	Accounts Payables	NA	0.15	0.15
23	Aayansh Securities Systems Private Limited	Accounts Payables	NA	0.15	0.15
24	Nova Tools And Technologies Private Limited	Accounts Payables	NA	0.13	0.13
25	JBS Estcon Private Limited	Accounts Payables	NA	0.13	0.13
26	Vams Construction Private Limited	Accounts Payables	NA	0.11	0.13
27	Auskini Infraqp Private Limited	Accounts Payables	NA	0.11	0.11
28	S K Modern Construction & Engineering Private Limited	Accounts Payables	NA	0.10	0.10
29	Muskan Techno Engineering Construction Private Limited	Accounts Payables	NA	0.07	0.07
30	Techcon Chemicals Private Limited	Accounts Payables	NA	0.07	0.36
31	Kazmi And Sons Builders Private Limited	Accounts Payables	NA	0.07	0.07
32	Edgecon Engineering Projects Private Limited	Accounts Payables	NA	0.07	0.09
33	DIPL Construction Private Limited	Accounts Payables	NA	0.06	0.10
34	Silk Route Infrastructure Private Limited	Accounts Payables	NA	0.05	0.05
35	Dwarkesh Buildcom Private Limited	Accounts Payables	NA	0.05	0.05
36	Sharma Infrabuild Private Limited	Accounts Payables	NA	0.05	0.05
37	Om Sai Project Developers And Engineers Private Limited	Accounts Payables	NA	0.05	0.05
38	RGK Infracon Private Limited	Accounts Payables	NA	0.05	0.05
39	Global Engineering & Marketing Services Private Limited	Accounts Payables	NA	0.05	0.05
40	Nexgen Transcom Private Limited	Accounts Payables	NA	– [1]	– [1]
41	Chaudhary Om Parkash Earth Movers Private Limited	Accounts Payables	NA	– [1]	– [1]
42	Soul And Mind Concrete System Private Limited	Accounts Payables	NA	– [1]	0.06
43	S V Infraproperties Private Limited	Accounts Payables	NA	– [1]	– [1]
44	Triplex Builders Private Limited	Accounts Payables	NA	– [1]	– [1]
45	JPS Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
46	Ayurda Millennium Ventures Private Limited	Accounts Payables	NA	– [1]	– [1]
47	Abhiraksha Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
48	Shri Vedika Engineering Private Limited	Accounts Payables	NA	– [1]	0.06
49	Sri Abs Lakshn Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
50	Hudor Projects India Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [63]

(b) Balances with Struck off Companies *(contd.)*

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
51	Shravani Environment Technology Private Limited	Accounts Payables	NA	– [1]	– [1]
52	Narshimha Buildtech Private Limited	Accounts Payables	NA	– [1]	– [1]
53	Morden Green Biotech Private Limited	Accounts Payables	NA	– [1]	– [1]
54	Akonn Infra Tech (India) Private Limited	Accounts Payables	NA	– [1]	– [1]
55	Cheyuta Infrasturcture Private Limited	Accounts Payables	NA	– [1]	– [1]
56	Shreeji Home Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
57	Nirmal Aircon Private Limited	Accounts Payables	NA	– [1]	– [1]
58	Zafcon Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
59	SV Engineering And Contracting Services Private Limited	Accounts Payables	NA	– [1]	– [1]
60	Sikar Trading And Contracting Private Limited	Accounts Payables	NA	– [1]	– [1]
61	UKR Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
62	Amritlaxmi Properties Private Limited	Accounts Payables	NA	– [1]	– [1]
63	Om Pranav Infrastructure Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
64	Honeyed Engineering Private Limited OPC	Accounts Payables	NA	– [1]	– [1]
65	Timely Developers Consultants Private Limited	Accounts Payables	NA	– [1]	– [1]
66	Set Sanayi Elektrik-Tesisat Taahhut Ve Ticaret India Private Limited	Accounts Payables	NA	– [1]	– [1]
67	Aarib Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
68	G-5 Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
69	Shahid Engineers & Contractors Private Limited	Accounts Payables	NA	– [1]	– [1]
70	Zaaharveer Projects Private Limited	Accounts Payables	NA	– [1]	0.13
71	Paf Infrastructure Private Limited	Accounts Payables	NA	– [1]	– [1]
72	A K Infrasolutins Private Limited	Accounts Payables	NA	– [1]	– [1]
73	Sriya Tunnel Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
74	Onella Visions Private Limited	Accounts Payables	NA	– [1]	– [1]
75	Escalador Geo-Systems And Engineering Survey Private Limited	Accounts Payables	NA	– [1]	– [1]
76	Savitri Infrastrcuture Private Limited	Accounts Payables	NA	– [1]	– [1]
77	Kiwi Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
78	Fundamental Infratech Private Limited	Accounts Payables	NA	– [1]	– [1]
79	Brahmaputra Engitech Private Limited	Accounts Payables	NA	– [1]	– [1]
80	Realsharp Infraatech Services Private Limited	Accounts Payables	NA	– [1]	– [1]
81	Amaravati Rcc Pipes India Private Limited	Accounts Payables	NA	– [1]	– [1]
82	ER Infra Innovative Private Limited	Accounts Payables	NA	– [1]	– [1]
83	Rattiputra Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
84	Bramhands Infrastructure Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [63] ***(contd.)***

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
85	Rani Aishwarya Infracon Private Limited	Accounts Payables	NA	– [1]	– [1]
86	Sudha Rehabs And Hospitality Private Limited	Accounts Payables	NA	– [1]	– [1]
87	Knight Engineers Contractors & Consultants Private Limited	Accounts Payables	NA	– [1]	– [1]
88	Kissan Land Promoters Private Limited	Accounts Payables	NA	– [1]	– [1]
89	Posorbis Infrastucture Private Limited	Accounts Payables	NA	– [1]	– [1]
90	Ifensys Software Solutions Private Limited	Accounts Payables	NA	– [1]	– [1]
91	Aerocon Hyderabad Infraprojects Private Limited	Accounts Payables	NA	– [1]	– [1]
92	Ace Offshore And Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
93	Riccardo Readymixs And Infra Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
94	ADM Infracon India Private Limited	Accounts Payables	NA	– [1]	– [1]
95	Walls Infra Solution Private Limited	Accounts Payables	NA	– [1]	– [1]
96	Dhanamjay Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
97	Ham Constructions & Engineering Works Private Limited	Accounts Payables	NA	– [1]	– [1]
98	Victra Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
99	Faithful Creator Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
100	Ashok Balyan Infra Project Private Limited	Accounts Payables	NA	– [1]	– [1]
101	Roy Management And Information Technology Private Limited	Accounts Payables	NA	– [1]	– [1]
102	DV Procon Private Limited	Accounts Payables	NA	– [1]	– [1]
103	Sukita Security And Services Private Limited	Accounts Payables	NA	– [1]	– [1]
104	Aahsin India Private Limited	Accounts Payables	NA	– [1]	– [1]
105	Sheoveena Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
106	Csk Engineering And Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
107	Manha Earthcon Private Limited	Accounts Payables	NA	– [1]	– [1]
108	Ye Power Transmission Pvt Limited	Accounts Payables	NA	– [1]	– [1]
109	Paradisegarden Infraproject Private Limited	Accounts Payables	NA	– [1]	– [1]
110	Vissa Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
111	Maurya Devbuild Private Limited	Accounts Payables	NA	– [1]	– [1]
112	MSP Develco Private Limited	Accounts Payables	NA	– [1]	– [1]
113	Paramshiv Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
114	Jatra Services India Private Limited	Accounts Payables	NA	– [1]	– [1]
115	Sbh Shoring Systems Private Limited	Accounts Payables	NA	– [1]	– [1]
116	Shreya Infra Venture Private Limited	Accounts Payables	NA	– [1]	– [1]
117	Manish Duggal Telecom Private Limited	Accounts Payables	NA	– [1]	– [1]
118	ARJ Infra Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [63] ***(contd.)***

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
119	Varad Infra Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
120	Kishley Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
121	Zain Thermal Solutions Private Limited	Accounts Payables	NA	– [1]	– [1]
122	Artisans Design & Build Pvt.Limited	Accounts Payables	NA	– [1]	– [1]
123	Bindra Evolutiion Enterprises Private Limited	Accounts Payables	NA	– [1]	– [1]
124	M/S Ganga Mechanical Works Private Limited	Accounts Payables	NA	– [1]	– [1]
125	Opti Tech Infra Projects India Opc Private Limited	Accounts Payables	NA	– [1]	– [1]
126	Aircon System Engineers Private Limited	Accounts Payables	NA	– [1]	– [1]
127	Nirmal Sai Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
128	Fairmans Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
129	Mecvil Infracon Private Limited	Accounts Payables	NA	– [1]	– [1]
130	Scotnix Solution Private Limited	Accounts Payables	NA	– [1]	– [1]
131	Pinak Security & Management Private Limited	Accounts Payables	NA	– [1]	– [1]
132	JRC Biuildcon Private Limited	Accounts Payables	NA	– [1]	– [1]
133	DNE Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
134	Sce Global Steel And Facade Private Limited	Accounts Payables	NA	– [1]	– [1]
135	Farhad Interior And Exterior Private Limited	Accounts Payables	NA	– [1]	– [1]
136	Siyaram Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
137	Veekay Engineering India Private Limited	Accounts Payables	NA	– [1]	– [1]
138	Sahu Infrastructure Private Limited	Accounts Payables	NA	– [1]	– [1]
139	Alpana Buildtech Private Limited	Accounts Payables	NA	– [1]	– [1]
140	Creo Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
141	Leadleap Engineers Private Limited	Accounts Payables	NA	– [1]	– [1]
142	Aadhiraj Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
143	Alias Management Marketing Private Limited	Accounts Payables	NA	– [1]	– [1]
144	Elena Management & Services Private Limited	Accounts Payables	NA	– [1]	– [1]
145	Torobuild Constructions (Opc) Private Limited	Accounts Payables	NA	– [1]	– [1]
146	Avn Green Technologies Private Limited	Accounts Payables	NA	– [1]	– [1]
147	Peass Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
148	Jodhpur Infra-Con Private Limited	Accounts Payables	NA	– [1]	– [1]
149	New Proponent Security Services Private Limited	Accounts Payables	NA	– [1]	– [1]
150	Swadesh Energy Private Limited	Accounts Payables	NA	– [1]	– [1]
151	Lakshman Singh Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
152	Essa Infrabuild Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [63] ***(contd.)***

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
153	Infisoft India Technology Private Limited	Accounts Payables	NA	– [1]	– [1]
154	Sublime Contractors Private Limited	Accounts Payables	NA	– [1]	– [1]
155	Blueman Construction Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
156	Spectro Testing And Research Center Private Limited	Accounts Payables	NA	– [1]	– [1]
157	Care Infra Engineers Limited	Accounts Payables	NA	– [1]	– [1]
158	MEI Engineers Private Limited	Accounts Payables	NA	– [1]	– [1]
159	White Vibes Private Limited	Accounts Payables	NA	– [1]	– [1]
160	Harhar Mahadev Infra Developer Private Limited	Accounts Payables	NA	– [1]	– [1]
161	Indco Engineers & Contractors Private Limited	Accounts Payables	NA	– [1]	– [1]
162	Rk Build Solutions Private Limited	Accounts Payables	NA	– [1]	– [1]
163	JD Safety Efficency Bureau Guarding Experts Private Limited	Accounts Payables	NA	– [1]	– [1]
164	Nevil Consultancy Services Private Limited	Accounts Payables	NA	– [1]	– [1]
165	Suhashini Infra Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
166	Dimensions India Private Limited	Accounts Payables	NA	– [1]	– [1]
	Total Accounts Payable (A)			4.00	4.98
1	NCR Aggregate Solutions Private Limited	Advance Given to	NA	0.85	1.79
	Total Advance Given (B)			0.85	1.79
1	Dimensions India Private Limited	Accounts Receivables	NA	-	– [1]
2	Great Eastern Trading Company	Accounts Receivables	NA	– [1]	– [1]
3	SV Intense Engineering Infrastructure Private Limited	Accounts Receivables	NA	– [1]	– [1]
4	Shyam Internet Services Limited	Accounts Receivables	NA	– [1]	– [1]
5	S.I.Mallik Infrastructure Private Limited	Accounts Receivables	NA	– [1]	– [1]
6	Venketeshwar Finco Private Limited	Accounts Receivables	NA	0.05	0.05
7	SSV Developers Private Limited	Accounts Receivables	NA	– [1]	– [1]
8	Sri Infrastructure And Water Environs Consultants Opc Private Limited	Accounts Receivables	NA	– [1]	– [1]
	Total Accounts Receivables (C)			0.05	0.05
1	Monica Commerce And Trade Private Limited	L&T's Shareholders	NA	– [1]	– [1]
2	Astro Marketing And Commercial Private Limited	L&T's Shareholders	NA	– [1]	– [1]
3	Dauji Investments Private Limited	L&T's Shareholders	NA	– [1]	– [1]
4	Dhamankar Investments Private Limited	L&T's Shareholders	NA	– [1]	– [1]
5	Gomateshwar Investments Private Limited	L&T's Shareholders	NA	– [1]	– [1]
6	H.K. Exports Private Limited	L&T's Shareholders	NA	– [1]	– [1]
7	Libra Agencies Private Limited	L&T's Shareholders	NA	– [1]	-
8	Siddha Papers Private Limited	L&T's Shareholders	NA	– [1]	– [1]

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [63] ***(contd.)***

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
9	Shivalik Kinema Private Limited	L&T's Shareholders	NA	– [1]	– [1]
10	Vani Private Limited	L&T's Shareholders	NA	– [1]	– [1]
11	Wizard Insurance Services Private Limited	L&T's Shareholders	NA	– [1]	– [1]
12	Yogesh Investment Private Limited	L&T's Shareholders	NA	– [1]	– [1]
13	Amersey Brothers Private Limited	L&T's Shareholders	NA	– [1]	– [1]
14	Betex India Limited	L&T's Shareholders	NA	– [1]	– [1]
15	Bhagwati Security Services Private Limited	L&T's Shareholders	NA	– [1]	-
16	Mahima Consultants Private Limited	L&T's Shareholders	NA	– [1]	– [1]
17	Omni Market Research Services Private Limited	L&T's Shareholders	NA	– [1]	– [1]
18	S.S.K. Stocks Private Limited	L&T's Shareholders	NA	– [1]	– [1]
19	Vs Network International Courier Services Private Limited	L&T's Shareholders	NA	– [1]	– [1]
20	Fairtrade Securities Limited	L&T's Shareholders	NA	– [1]	– [1]
21	Jabac Consultancies Private Limited	L&T's Shareholders	NA	– [1]	– [1]
22	Sincere Securities Private Limited	L&T's Shareholders	NA	– [1]	– [1]
23	Suviron Products Private Limited	L&T's Shareholders	NA	– [1]	– [1]
24	Alike Trading Private Limited	L&T's Shareholders	NA	– [1]	– [1]
25	Hardee Overseas Private Limited	L&T's Shareholders	NA	– [1]	– [1]
26	Avni Financial Advisors Private Limited	L&T's Shareholders	NA	– [1]	– [1]
27	Binet Technologies Private Limited	L&T's Shareholders	NA	– [1]	– [1]
28	S3 Solutions Private Limited	L&T's Shareholders	NA	– [1]	-
29	Home Trade Limited	L&T's Shareholders	NA	– [1]	– [1]
30	Sukam Financial Services Private Limited	L&T's Shareholders	NA	– [1]	– [1]
31	Jaipriya Holdings Limited	L&T's Shareholders	NA	– [1]	– [1]
32	Nismuk Investments And Trading Private Limited	L&T's Shareholders	NA	– [1]	– [1]
	Total Equity Shares Held (D)			– [1]	– [1]
1	Dauji Investments Private Limited	Dividend Payable	NA	– [1]	– [1]
2	Dhamankar Investments Private Limited	Dividend Payable	NA	– [1]	– [1]
3	Gomateshwar Investments Private Limited	Dividend Payable	NA	– [1]	– [1]
4	H.K. Exports Private Limited	Dividend Payable	NA	– [1]	– [1]
5	Siddha Papers Private Limited	Dividend Payable	NA	– [1]	– [1]
6	Shivalik Kinema Private Limited	Dividend Payable	NA	– [1]	– [1]
7	Vani Private Limited	Dividend Payable	NA	– [1]	– [1]
8	Wizard Insurance Services Private Limited	Dividend Payable	NA	– [1]	– [1]
9	Yogesh Investment Private Limited	Dividend Payable	NA	– [1]	– [1]
10	Amersey Brothers Private Limited	Dividend Payable	NA	– [1]	– [1]
11	Betex India Limited	Dividend Payable	NA	– [1]	– [1]
12	Mahima Consultants Private Limited	Dividend Payable	NA	– [1]	– [1]
13	Omni Market Research Services Private Limited	Dividend Payable	NA	– [1]	– [1]

Notes forming part of the Standalone Financial Statements (contd.)

NOTE [63] ***(contd.)***

₹ crore

S. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
14	S.S.K. Stocks Private Limited	Dividend Payable	NA	– [1]	– [1]
15	Vs Network International Courier Services Private Limited	Dividend Payable	NA	– [1]	– [1]
16	Fairtrade Securities Limited	Dividend Payable	NA	– [1]	– [1]
17	Jabac Consultancies Private Limited	Dividend Payable	NA	– [1]	– [1]
18	Sincere Securities Private Limited	Dividend Payable	NA	– [1]	– [1]
19	Suviron Products Private Limited	Dividend Payable	NA	– [1]	– [1]
20	Alike Trading Private Limited	Dividend Payable	NA	– [1]	– [1]
21	Hardee Overseas Private Limited	Dividend Payable	NA	– [1]	– [1]
22	Avni Financial Advisors Private Limited	Dividend Payable	NA	– [1]	– [1]
23	Binet Technologies Private Limited	Dividend Payable	NA	– [1]	– [1]
24	S3 Solutions Private Limited	Dividend Payable	NA	– [1]	– [1]
	Total dividend payable (E)			– [1]	– [1]
	Grand Total (A+B+C+D+E)			4.90	6.82

– [1] Less than ₹ 5 Lakhs

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis.

c) i. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

A. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

B. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

ii. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

A. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

B. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

NOTE [64]

Figures for the previous year have been regrouped/reclassified to conform to the figures of the current year.

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LARSEN & TOUBRO LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Larsen & Toubro Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which includes 35 joint operations accounted on proportionate basis, its associates, joint ventures which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, associates, joint ventures and Joint operations referred to in the "Other matters" section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associates, joint ventures and joint operations as at March 31, 2026, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates, joint ventures and joint operations, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ('ICAI'), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Revenue recognition – accounting for construction contracts	
Key audit matter Description	Revenues are recognised under Ind AS 115, "Revenue from Contracts with Customers" basis the nature and type of contracts (i.e., products, projects and services) involved. The Group recognizes revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract to completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract. Cost estimates need to take into account specific risks of uncertainties or disputed claims against the Group, arising within each contract. Moreover, significant judgements are involved in determining the expected losses on onerous contracts, when such losses become probable based on the expected total contract cost. Such estimates are reviewed by the Management of the respective companies on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (change orders and claims). Variable consideration is recognized when recovery is based on the customer's acceptance, or when such consideration is highly probable based on the Company's contractual rights and /or a legal assessment. Revenue and profits for the year may deviate significantly on account of changes in the above judgements and estimates. Therefore, considering the judgements and complexities involved in the estimation process and due to the significance of the amounts to the consolidated financial statements, this is a key audit matter. Refer to Note No. [1](ii)(i) and 34 to the Consolidated Financial Statements
How the Key Audit Matters was addressed in our audit	Our procedures in respect of recognition of construction contract revenue and related cost included the following: (a) Tested the design, implementation and operating effectiveness of key internal financial controls, including those related to estimation of construction contract costs, contract revenue and review and approval thereof. (b) Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers".

Revenue recognition – accounting for construction contracts	
	(c) For selected sample of contracts with customers, performed the following procedures: i) Obtained and read customer contracts, customer communications, and price or scope variation orders for the project. ii) Tested the calculation of percentage of completion as per input method adopted by the Management including the testing of costs incurred and recorded against the contracts. iii) Verified relevant supporting documents and performed cut off procedures for construction contract related costs incurred through the reporting period. iv) For variable consideration (variation/claims) recognized, evaluated and verified management's assessment of contractual terms, client communications and legal assessment, wherever considered necessary. v) Evaluated the reasonableness of key assumptions included in the estimated total construction contract costs by performing retrospective review of Management's forecasting process by reviewing past trends of estimated costs to actual costs over time, discussed variances with project teams and substantively tested where relevant, the elements of the committed cost to executed purchase orders and underlying agreements. vi) Discussed progress to date with project teams to determine whether the remaining costs to complete appear sufficient for the residual risks identified for those projects. vii) Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition, checked exceptions for contracts with low or negative margins, loss making contracts/ onerous contracts, contracts with significant changes in cost estimates and significant overdue net receivable positions for contracts, etc. viii) Assessed the adequacy of presentation and related disclosures in the consolidated financial statements are in line with the Indian accounting standards and Schedule III.
Impairment of Trade Receivables and Contract Assets	
Key audit matter description	Impairment of financial assets and contract assets is accounted through allowance for Expected Credit Losses (ECL) under Ind AS 109. The assumptions used for estimating the expected credit loss in respect of these balances is an area which is influenced by Management's judgment. The calculation of the impairment allowance under ECL method is highly judgmental as it requires Management to assess the estimated credit losses in respect of trade receivables based on credit risk profile of customers, project status, past collection experience, ongoing litigations and disputes, if any, economic and market conditions and applicable forward looking estimates and recoverability of contract assets ('unbilled revenue') relating to claims/variations by reference to contractual terms, expert's assessment and legal advice. Considering such assessment, management uses a provision matrix to recognise impairment for expected credit losses in respect of trade receivables and contract assets. Given the relative significance of these balances to the Consolidated financial statements, Management judgement and uncertainties involved as well as the nature and extent of audit procedures performed to assess the recoverability of trade receivables and contract assets, we determined this to be a key audit matter. Refer to Note No. [1](ii)(i), [1](ii)(r), 13, 19 and 47(c) to the Consolidated Financial Statements.
How the Key Audit Matters was addressed in our audit	Our procedures in respect of recoverability of trade receivables and contract assets included the following: Tested the design, implementation and operating effectiveness of key internal financial controls over Management's assessment of recoverability of trade receivables and contract assets. For selected samples of contracts a) Obtained an understanding from Management the related contractual terms, collection experience, basis of Management's assessment of collectability, and expected realisation plan. b) Performed test of details over key contract terms, correspondence with customers and subsequent settlements/ collections, where relevant. c) Tested the ageing of trade receivables and contract assets at the year end. Assessed the information used by the Management to determine the expected credit losses by considering credit risk profile of the customer, contractual terms, project status, past collection experience, uncertainties and delays in recoveries, subsequent realisation, correspondence with the customers, ongoing litigations and disputes, if any. Reviewed the key assumptions and data sources used by Management in the provision matrix model to calculate the probability of default and estimate the expected credit losses in respect of trade receivables and contract assets. For aged contract asset balances, held discussions with management on timing and expectation of recoverability, historical payment records, status of certified dues and other relevant correspondence with customers to challenge adequacy of impairment allowance considered. Assessed the adequacy of presentation and related disclosures in the financial statements are in line with the accounting standards and Schedule III.

Revenue recognition - Fixed price contracts using the percentage of completion method in respect of IT & Technology Services Segment – LTM Limited ("the Company")	
Key audit matter description	Revenue from fixed price contracts including software development and system integration contracts is recognized using a percentage of completion method. Use of the percentage of completion method requires the Company to determine the costs expended to date as a proportion of the estimated total costs to be incurred. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Revenue recognition of fixed price contracts where the percentage of completion is identified as Key Audit Matter since – • High inherent risk around accuracy of revenue, given the customized and complex nature of these contracts. • High inherent uncertainty and requires consideration of progress of the contract, costs incurred to-date and estimates of costs required to complete the remaining contract performance obligations over the term of the contract. • At year-end, significant amount of work in progress (Unbilled revenue), related to these contracts is recognized on the balance sheet. This required a high degree of auditor judgment in evaluating the audit evidence and a higher extent of audit effort to evaluate the reasonableness of the total estimated amount of revenue and unbilled revenue recognized on these fixed-price contracts. Refer to Note No. [1](ii)(i) and 34 to the Consolidated Financial Statements
How the Key Audit Matters was addressed in our audit	The components' auditors (being other firms of chartered accountants) have performed the following audit procedures: • Component auditor have tested the effectiveness of controls relating to: i. recording of costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations; and ii. access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred. • Component auditor have selected a sample of fixed price contracts with customers measured using the percentage-of-completion method and performed the following: i. Read the contract and based on the terms and conditions evaluated whether recognizing revenue over time using percentage of completion method was appropriate, and the contract was included in Management's calculation of revenue over time; ii. Compared costs incurred with Company's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract. iii. Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations.

Revenue recognition- Fixed price contracts in respect of IT & Technology Services segment – L&T Technology Services Limited ("the Company")	
Key audit matter description	The Company engages in fixed price contracts with its customers wherein revenue from such contracts are recognized over time. The Company uses input method to recognise revenue, as it represents efforts expended towards satisfying a performance obligation relative to the total expected efforts or inputs to satisfy the performance obligation. This involves computation of actual cost incurred and estimation of total cost on each contract to measure progress towards completion. Amount of revenue recognition in respect of fixed price contracts has been identified as a Key Audit Matter considering that: • these contracts involve identification of actual cost incurred on each contract; • these contracts require estimation of future cost for completion of each contract; and • at the period end a significant amount of contract assets (unbilled revenue) or contract liabilities (unearned revenue) related to each contract is to be identified. Refer to Note [1](ii)(i) and 34 to the Consolidated Financial Statements.
How the Key Audit Matters was addressed in our audit	The component's auditors have performed the following audit procedures: • Obtained an understanding of the systems, processes and controls implemented by the Company with respect to recognition of actual cost incurred on each contract, estimation of future cost to completion, measurement of unbilled revenue, unearned revenue and the total contract revenue on its completion;

Revenue recognition- Fixed price contracts in respect of IT & Technology Services segment – L&T Technology Services Limited ("the Company")	
	• Involved Information technology ('IT') specialists to assess the design and operating effectiveness of the key IT controls relating to revenue recognition and in particular; i. Assessed the IT environment in which the business systems operate and tested system controls over computation of revenue recognised; ii. Tested the IT controls over appropriateness of cost and revenue reports generated by the system; iii. Assessed the appropriateness of actual cost incurred on contracts including the testing of the IT general controls and specific IT application controls over information systems used for capturing these costs; and iv. Tested the controls pertaining to allocation of resources and budgeting systems which prevent the unauthorized recording/changes to costs incurred on sample basis. • Verified on test check basis that the revenue recognized is in accordance with the applicable Indian Accounting Standard, including: i. Verification of the underlying agreements and other forms of supporting documentation to ensure that each party's rights and obligations regarding the goods or services to be transferred and payment terms are identified and contracts have commercial substance; ii. Inspection of the underlying agreements and other forms of supporting documentation to ensure that various performance obligations within a contract have been properly identified by Management; iii. Inspection of the underlying agreements and other forms of supporting documentation to ensure that transaction price has been properly determined and allocated to relevant performance obligations on an appropriate basis; and iv. Verification of the Company's computation of revenue to be recognized over a period of time on a sample basis, where the component's auditors have performed the following; a) Verified Management's process relating to the estimation of contract costs required to complete the respective projects and assessed that the estimates of costs to complete were reviewed and approved by appropriate designated Management personnel and are appropriate; b) Verified the reasonableness of Management's estimation of cost projections by comparing actual cost incurred with Management initial/updated estimation of total cost for that project; c) Recomputed the amount of revenue recognised on these contracts and compared the same with the actual revenue recorded; d) Assessed the appropriateness of work in progress (contract assets and contract liabilities) as at the balance sheet date by evaluating the underlying documentation to identify possible delays in achieving milestones which require changes in estimated costs to complete the remaining performance obligations; and • Assessed the adequacy and appropriateness of disclosures made in the financial statements in compliance with applicable Indian Accounting Standards and applicable financial reporting framework.

Allowance for Expected Credit Loss on Retail Loan Assets in respect of Financial Services segment – L&T Finance Limited ("the Company")	
Key audit matter description	Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loans carried at amortized cost is a critical estimate involving greater level of management judgement. As part of their risk assessment, the component auditors (being other firm of Chartered Accountants) determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The significant assumptions that they focused in their audit included those with greater levels of management judgement and for which variations had the most significant impact on ECL. The key areas where they identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: Each borrower is classified into Stage 1, 2, 3 based on the objective criteria of Day Past Due (DPD) status as of the reporting date and other loss indicators, as applicable. Such classification by borrower is done across all facilities provided to the borrower, i.e., maximum of the DPDs from among the different facilities ["Max DPD"] provided to that borrower. Inherently, significant judgment is involved in the use of models to estimate ECL which includes determining Exposures at Default ("EAD"), Probabilities of Default ("PD") and Loss Given Default ("LGD"). The PD and the LGD are the key drivers of estimation complexity and as a result are considered the most significant judgments in the Company's modelling approach.

Allowance for Expected Credit Loss on Retail Loan Assets in respect of Financial Services segment – L&T Finance Limited ("the Company")	
	The modelling methodologies used to estimate ECL are developed using historical experience. The impact of the prevailing macroeconomic conditions has also resulted in certain limitations in the reliability of these methodologies to forecast the extent and timing of future customer defaults or potential credit risks and therefore in estimates of ECL. In addition, modelling methodologies do not necessarily incorporate all factors that are relevant to estimating ECL, such as differentiating the impact on industry sectors and economic conditions. These limitations are attempted to be addressed with management overlay, the measurement of which is inherently judgmental and subject to a high level of estimation uncertainty. Accordingly, the Allowance for Expected Credit Loss on Retail Loan Assets has been determined as Key Audit Matter because it requires a high degree of judgement and estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. Refer to Note [1](ii)(r)(i)(D), 7 and 16 to the Consolidated Financial Statements
How the Key Audit Matters was addressed in our audit	The component's auditors (being other firm of chartered accountants) have performed the following audit procedures: • Reviewed the Board Approved Policy and procedures & associates design/controls and expected credit loss memo concerning the assessment of credit and other risks. • Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. • Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (including those which became overdue after the reporting date), measurement of provision, stage-wise classification of loans, identification of NPA accounts, assessing the reliability of management information. • Evaluated the appropriateness of the Company's determination of Significant Increase in Credit Risk ("SICR") in accordance with the applicable accounting standard and the basis for classification of various exposures into various stages. • Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights and computation of probability of default and loss given default percentages. • Reviewed the critical assumptions and input data used in the estimation of expected credit loss for specific key credit risk parameters, such as the movement between stages, Exposure at default, (EAD), probability of default (PD) or loss given default (LGD). • Involved Information system resource to obtain comfort over data integrity and process of report generation through interface of various information systems. • Tested controls placed over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied as detailed below: i. verified the completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors. ii. checked the appropriateness of information used in the estimation of the Probability of Default ("PD") and Loss given Default ("LGD") for the different stages depending on the nature of the portfolio reconciled the total retail considered for ECL assessment with the books of accounts to ensure the completeness. iii. performed test of details over model calculations testing through re-performance, where possible. iv. tested appropriateness of staging of borrowers based on DPD and other loss indicators. v. tested the factual accuracy of information such as period of default and other related information used in estimating the PD. vi. evaluated the reasonableness of applicable assumptions included in LGD computation. vii. evaluated the methodology used to determine macroeconomic overlays and adjustments to the output of the ECL model. • Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment of loans (including restructuring related disclosures) in the Financial Statements are appropriate and sufficient. • Verified the manner of preparation of information w.r.t. to provisions and disclosures in the Financial Statements. • Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable.

Information Technology ("IT") Systems and Controls in respect of Financial Services segment – L&T Finance Limited ("the Company")	
Key audit matter description	The Company has a complex IT architecture to support its day-to-day business operations. High volume of transactions are processed and recorded on single or multiple applications. The reliability and security of IT systems plays a key role in the business operations of the Company. Since large volume of transactions are processed daily, IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. Component auditor have identified 'IT systems and controls' as a key audit matter because of the high-level automation, significant number of systems being used by the Management and the complexity of the IT architecture and its impact on the financial reporting system.
How the Key Audit Matters was addressed in our audit	The component's auditors (being other firms of chartered accountants) have performed the following audit procedures: • Involved IT specialists as part of the audit for the purpose of testing the IT general controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the Company's IT systems; • With respect to the "In-scope IT systems" identified as relevant to the audit of the financial statements and financial reporting process of the Company, evaluated and tested relevant IT general controls; • On such "In-scope IT systems" performed the following procedures: i. Obtained an understanding of IT applications landscape implemented by the Company, including an understanding of the process, mapping of applications and understanding financial risks posed by people-process and technology; ii. Tested design and operating effectiveness of key controls over user access Management (including user access provisioning, de-provisioning, user access review, password configuration review and privilege access), change Management (including compliance of change release in production environment to the defined procedures), program development (including review of data migration activity), computer operations (including testing of key controls pertaining to, backup, batch processing, incident. Management and data centre security. Also tested entity level controls pertaining to IT policy and procedure and business continuity plan assessment; and iii. Tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over the financial reporting system.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management discussion and Analysis, Board's report including annexure to Board's report, Business Responsibility and Sustainability Reporting, Corporate Governance and Shareholder's information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, its associates, joint ventures and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for assessing the ability of the Group and of its associates, joint ventures and joint operations to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates, joint ventures and joint operations to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates, joint ventures and joint operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures and joint operations to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- We did not audit the financial information of 35 joint operations included in the standalone financial statements of the companies included in the Group whose financial information reflect total assets of ₹ 5,118.08 crore as at March 31, 2026, total revenue of ₹ 2,042.77 crore, net loss (including other comprehensive income) of ₹ (238.76) crore and net cash outflow amounting to ₹ (63.59) crore for the year ended March 31, 2026, as considered in the consolidated financial statements. The financial information of these joint

operations have been audited by the other auditors whose reports have been furnished to us by the Holding Company's management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operations is based solely on the report of such other auditors.

- We did not audit the financial information of 74 subsidiaries, whose financial information reflect total assets of ₹ 2,70,951.92 crore as at March 31, 2026, total revenues of ₹ 1,31,862.34 crore, net profit (including other comprehensive income) of ₹ 9,445.01 crore and net cash inflows amounting to ₹ 780.13 crore for the year ended on that date, as considered in the consolidated financial statements. The financial information of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- We did not audit the financial information of 2 associates and 7 joint ventures, whose financial information reflect Group's share of net loss (including other comprehensive income) of ₹ (149.52) crore for the year ended March 31, 2026, as considered in the consolidated financial statements. The financial information of these associates and joint ventures have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates and joint ventures is based solely on the reports of the other auditors.
- We did not audit the financial information of 15 subsidiaries whose financial information reflect total assets of ₹ 378.18 crore as at March 31, 2026, total revenues of ₹ 520.00 crore, net profit (including other comprehensive income) of ₹ 32.54 crore and net cash outflows amounting to ₹ (27.83) crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ (2.21) crore for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of 3 associates and 2 joint ventures, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Holding Company's Management, the aforesaid financial information are not material to the Group.

  Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.
- The consolidated audited financial Statement for the year ended March 31, 2025, included in the accompanying consolidated financial statements were audited jointly with predecessor joint auditor, for which report dated May 8, 2025 expressed an unmodified opinion on those consolidated audited financial statements.

Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information financial information of the subsidiaries, associates, joint ventures and joint operations referred to in the Other Matters section above, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies, joint ventures and joint operations incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, its associate companies, joint ventures and joint operations incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries, associates, joint ventures and joint operations referred to in the Other Matters section above:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates, joint ventures and joint operations– Refer Note 32 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts. – Refer Note 56 to the consolidated financial statements.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies, joint ventures and joint operations incorporated in India during the year ended March 31, 2026.

iv. a. The respective Managements of the Holding Company and its subsidiaries, associates and joint ventures and which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates, joint ventures and joint operations respectively that, to the best of their knowledge and belief, as disclosed in the Note 63(d) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associates, joint ventures and joint operations to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associates, joint ventures and joint operations ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Holding Company and its subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates, joint ventures and joint operations respectively that, to the best of their knowledge and belief, as disclosed in the Note 63(d) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, associates, joint ventures and joint operations from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates, joint ventures and joint operations shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. a. The final dividend proposed in the previous year, declared and paid by the Holding Company, its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

b. The interim dividend declared and paid by the subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in compliance with section 123 of the Act, as applicable.

c. The Board of Directors of the Holding Company, its subsidiaries and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Holding Company, subsidiaries, and joint ventures at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks and based on the other auditor's reports of its subsidiary companies, associate companies, joint venture companies and joint operations incorporated in India whose financial statements have been audited under the Act, except for instance mentioned below, the Holding Company, its subsidiary companies, associate companies, joint venture companies and joint operations incorporated in India have used accounting software systems

for maintaining their respective books of account for the financial year ended 31st March 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and above referred subsidiary companies, associate companies, joint venture companies, joint operations incorporated in India as per the statutory requirements for record retention.

- In respect of one Subsidiary, it has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in these software. However, Audit trail (edit logs) for direct changes made at the database level were enabled from June 25, 2025.

  During the course of audit, the component auditor did not come across any instance of audit trail feature being tampered with, where such functionality was enabled and logs were maintained. Additionally, except for the database-level changes as mentioned above, the audit trail has been preserved by the Subsidiary Company as per the statutory requirements for record retention.

2. In our opinion, according to information, explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company and its subsidiary companies, associate companies, joint ventures and joint operations incorporated in India to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V to the Act.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Holding company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Sr. No	Name of the Company	CIN	Type of Company	Clause number of the CARO Report which is qualified or Adverse*
1.	Larsen and Toubro Limited	L99999MH1946PLC004768	Holding Company	Clause iii (c)
2.	L&T Special Steels & Heavy Forgings Pvt Ltd	U27109MH2009PTC193699	Subsidiary	Clause ix(a)
3.	Business Park (Powai) Private Limited	U68100MH2023PTC401231	Subsidiary	Clause xiv
4.	Corporate Park (Powai) Private Limited	U68100MH2023PTC402079	Subsidiary	Clause xiv

* Refer to Note 63(a) to the consolidated financial statements

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vishal Vilas Divadkar
Partner
Membership No.: 118247
UDIN: 26118247REHLLM2997

Date: May 5, 2026
Place: Mumbai

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Larsen & Toubro Limited on the Consolidated Financial Statements for the year ended March 31, 2026]

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Larsen & Toubro Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and it's subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates, joint ventures and joint operations, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group and its associates , joint ventures and joint operations, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Group and its associates, joint ventures and joint operations, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding Company and the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group and its associates, joint ventures and joint operations, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group and its associates, joint ventures and joint operations, which are companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 41 subsidiary companies, 2 associates and 7 joint ventures and 1 joint operation company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 2 subsidiary companies and 1 associate, which are companies incorporated in India, whose financial information is unaudited. Our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Group is not affected as the financial information of such entities is not material to the Group.

Our opinion is not modified in respect of the above matters.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vishal Vilas Divadkar
Partner
Membership No.: 118247
UDIN: 26118247REHLLM2997

Date: May 5, 2026
Place: Mumbai

Consolidated Balance Sheet as at March 31, 2026

₹ crore

Particulars	Note	As at 31-3-2026		As at 31-3-2025	
ASSETS:					
Non-current assets					
Property, plant and equipment	2		15663.02		14128.56
Capital work-in-progress	2		3036.25		2390.86
Investment property	3		223.22		1157.33
Investment property under construction	3		897.12		501.30
Goodwill	4		8481.54		8348.48
Other intangible assets	5		1828.21		17050.76
Intangible assets under development	5		274.70		197.82
Right-of-use assets	61(b)(ii)		3773.80		2869.02
Financial assets					
Investments in joint ventures and associates	43(e)	2258.01		2318.42	
Other investments	6	6593.92		9126.23	
Loans towards financing activities	7	74995.72		62847.35	
Other loans	8	586.81		348.96	
Other financial assets	9	4276.78		1863.04	
			88711.24		76504.00
Deferred tax assets (net)	51(d)		4252.76		3792.88
Current Tax Assets (net)			4397.21		4581.60
Other non-current assets	10		2699.49		2659.78
Sub-total - Non-current assets			134238.56		134182.39
Current assets					
Inventories	11		9530.93		7670.55
Financial assets					
Investments	12	59524.86		43360.62	
Trade receivables	13	60461.26		53713.68	
Cash and cash equivalents	14	15391.24		12187.00	
Other bank balances	15	5456.43		10778.34	
Loans towards financing activities	16	42825.48		36077.51	
Other loans	17	634.46		416.85	
Other financial assets	18	7713.29		5419.89	
			192007.02		161953.89
Other current assets	19		91303.18		75559.83
Sub-total - Current assets			292841.13		245184.27
Group(s) of assets classified as held for sale	45(a)		25470.19		157.44
TOTAL ASSETS			452549.88		379524.10

Consolidated Balance Sheet as at March 31, 2026 (contd.)

₹ crore

Particulars	Note	As at 31-3-2026		As at 31-3-2025	
EQUITY AND LIABILITIES:					
Equity					
Equity share capital	20	275.13		275.04	
Other equity	21	109014.67		97380.56	
Equity attributable to owners of the Company			109289.80		97655.60
Non-controlling interests			19240.66		17748.08
TOTAL EQUITY			128530.46		115403.68
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	22	63738.59		57503.34	
Lease liabilities		2767.05		2265.24	
Other financial liabilities	23	1979.86		252.18	
			68485.50		60020.76
Provisions	24		832.48		1124.01
Deferred tax liabilities (net)	51(d)		167.11		410.01
Other non-current liabilities	25		36.82		594.74
Sub-total - Non-current liabilities			69521.91		62149.52
Current liabilities					
Financial liabilities					
Borrowings	26	34778.53		35861.30	
Current maturities of long term borrowings	27	23165.90		36194.70	
Lease liabilities		1046.52		584.34	
Trade payables:					
Due to micro enterprises and small enterprises		1840.35		1414.23	
Due to others	28	67615.28		51045.11	
Other financial liabilities	29	11092.88		6273.37	
			139539.46		131373.05
Other current liabilities	30		85861.52		63326.97
Provisions	31		5009.03		4691.67
Current tax liabilities (net)			3121.46		2579.21
Sub-total - Current liabilities			233531.47		201970.90
Liabilities associated with group(s) of assets classified as held for sale	45(a)		20966.04		–
TOTAL LIABILITIES			324019.42		264120.42
TOTAL EQUITY AND LIABILITIES			452549.88		379524.10
CONTINGENT LIABILITIES	32				
COMMITMENTS (capital and others)	33				
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1 to 65				

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

₹ crore

Particulars	Note	2025-26		2024-25	
INCOME:					
Revenue from operations	34		285874.36		255734.45
Other income (net)	35		5760.68		4124.82
Total Income			291635.04		259859.27
EXPENSES:					
Manufacturing, construction and operating expenses:	36				
Cost of raw materials and components consumed		33031.76		27655.02	
Construction materials consumed		63388.65		63526.44	
Purchase of stock-in-trade		1262.30		1402.14	
Stores, spares and loose tools consumed		4171.98		4393.39	
Sub-contracting charges		49446.73		40570.92	
Changes in inventories of finished goods, work-in-progress, stock-in-trade and property development		(1963.12)		(410.79)	
Other manufacturing, construction and operating expenses		36502.91		27533.55	
Finance cost of financial services business and finance lease activity		6995.34		6302.23	
			192836.55		170972.90
Employee benefits expense	37		52187.22		46768.68
Sales, administration and other expenses	38		11699.45		11558.13
Finance costs	39		2848.82		3334.37
Depreciation, amortisation, impairment and obsolescence	40		4364.75		4121.18
Total Expenses			263936.79		236755.26
Profit before exceptional items and tax			27698.25		23104.01
Exceptional items before tax (net) [gain/(loss)]	48		(1722.44)		474.78
Profit before tax			25975.81		23578.79
Tax expenses:	51(a)				
Current tax		6752.96		6100.82	
Deferred tax		63.45		(209.42)	
Total tax expense			6816.41		5891.40
Net Profit after tax			19159.40		17687.39
Share in profit/(loss) after tax of joint ventures/associates (net)	43(f)		(205.52)		(14.06)
Profit for the year			18953.88		17673.33
Other comprehensive income					
A Items that will not be reclassified to profit or loss:					
Gain/(loss) on remeasurements of the net defined benefit plans		(115.27)		(307.75)	
Income tax (expenses)/income on remeasurements of the net defined benefit plans		30.54		69.24	
			(84.73)		(238.51)
Share in Other comprehensive income of joint ventures/associates (net)			(0.61)		(0.99)
B Items that will be reclassified to profit or loss:					
Debt instruments through Other comprehensive income		(545.03)		311.42	
Income tax (expenses)/income on debt instruments through Other comprehensive income		100.74		(55.38)	
			(444.29)		256.04
Carried forward - Other comprehensive income			(529.63)		16.54

Consolidated Statement of Profit and Loss for the year ended March 31, 2026 (contd.)

₹ crore

Particulars	Note	2025-26		2024-25	
Brought forward - Other comprehensive income			(529.63)		16.54
Exchange differences in translating the financial statements of foreign operations		683.68		44.21	
Income tax (expenses)/income on exchange differences in translating the financial statements of foreign operations		22.00		3.92	
			705.68		48.13
Effective portion of gains/(losses) on hedging instruments in a cash flow hedge		(729.79)		(193.21)	
Income tax (expenses)/income on effective portion of gains/(losses) on hedging instruments in a cash flow hedge		268.10		(6.38)	
			(461.69)		(199.59)
Cost of hedging reserve		(41.84)		191.13	
Income tax (expenses)/income on cost of hedging reserve		11.61		(48.10)	
			(30.23)		143.03
Share in Other comprehensive income of joint ventures/associates (net)			(90.63)		3.18
Other comprehensive income for the year (net of tax)			(406.50)		11.29
Total comprehensive income for the year			18547.38		17684.62
Profit for the year attributable to:					
Owners of the Company			16083.99		15037.11
Non-controlling interests			2869.89		2636.22
			18953.88		17673.33
Other comprehensive income for the year attributable to:					
Owners of the Company			185.98		37.35
Non-controlling interests			(592.48)		(26.06)
			(406.50)		11.29
Total comprehensive income for the year attributable to:					
Owners of the Company			16269.97		15074.46
Non-controlling interests			2277.41		2610.16
			18547.38		17684.62
Earnings per share (EPS) of ₹ 2 each					
Basic earnings per equity share (₹)	55		116.93		109.36
Diluted earnings per equity share (₹)	55		116.88		109.28
Face value per equity share (₹)			2.00		2.00
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1 to 65				

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

A. Equity share capital

Particulars	2025-26		2024-25	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	1,375,192,165	275.04	1,374,668,619	274.93
Add: Shares issued on exercise of employee stock options during the year	440,025	0.09	523,546	0.11
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,375,632,190	275.13	1,375,192,165	275.04

B. Other equity

₹ crore

Particulars	Reserves and surplus						Items of Other comprehensive income				Total other equity	Non-controlling interests	Total
	Capital reserve	Capital redemption reserve	Securities premium	Employee share options (net)	Statutory reserves	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	Equity instruments through Other comprehensive income			
Balance as at 1-4-2024	282.44	335.11	50.56	550.54	4231.56	79489.69	790.67	274.34	8.12	71.28	86084.31	16190.42	102274.73
Profit for the year (a)	–	–	–	–	–	15037.11	–	–	–	–	15037.11	2636.22	17673.33
Other comprehensive income for the year (b)	–	–	–	–	–	(237.09)	62.08	(24.05)	236.42	–	37.36	(26.06)	11.30
Total comprehensive income for the year (a+b)	–	–	–	–	–	14800.02	62.08	(24.05)	236.42	–	15074.47	2610.16	17684.63
Issue of equity shares on exercise of employee share options	–	–	9.22	–	–	–	–	–	–	–	9.22	–	9.22
Transfer on account of exercise of employee share options	–	–	78.65	(78.65)	–	–	–	–	–	–	–	–	–
Transfer to non-financial assets/liabilities	–	–	–	–	–	–	–	0.13	–	–	0.13	–	0.13
Transfer from/(to) retained earnings	–	–	–	15.80	533.56	(478.08)	–	–	–	(71.28)	–	–	–
Employee share options (net)	–	–	–	11.67	–	–	–	–	–	–	11.67	120.47	132.14
Dividend paid	–	–	–	–	–	(3849.57)	–	–	–	–	(3849.57)	(963.85)	(4813.42)
Net gain/loss on transactions with non-controlling interests	–	–	–	–	–	(94.36)	37.23	0.91	–	–	(56.22)	56.22	–
Increase in non-controlling interest due to dilution/ divestment/acquisition/redemption	–	–	–	–	–	106.56	–	–	–	–	106.56	(265.34)	(158.78)
Balance as at 31-3-2025	282.44	335.11	138.43	499.36	4765.12	89974.25	889.99	251.34	244.54	–	97380.56	17748.08	115128.64

Consolidated Statement of Changes in Equity for the year ended March 31, 2026 (contd.)

₹ crore

Particulars	Reserves and surplus						Items of Other comprehensive income				Total other equity	Non-controlling interests	Total
	Capital reserve	Capital redemption reserve	Securities premium	Employee share options (net)	Statutory reserves	Retained earnings	Foreign currency translation reserve	Hedging reserve	Debt instruments through Other comprehensive income	Equity instruments through Other comprehensive income			
Balance as at 01-04-2025	282.44	335.11	138.43	499.36	4765.12	89974.25	889.99	251.34	244.54	–	97380.56	17748.08	115128.64
Profit for the year (c)	–	–	–	–	–	16083.99	–	–	–	–	16083.99	2869.89	18953.88
Other comprehensive income for the year (d)	–	–	–	–	–	(101.45)	454.26	256.77	(423.60)	–	185.98	(592.48)	(406.50)
Total comprehensive income for the year (c+d)	–	–	–	–	–	15982.54	454.26	256.77	(423.60)	–	16269.97	2277.41	18547.38
Issue of equity shares on exercise of employee share options	–	–	7.44	–	–	–	–	–	–	–	7.44	–	7.44
Transfer on account of exercise of employee share options	–	–	74.19	(74.19)	–	–	–	–	–	–	–	–	–
Transfer to non-financial assets/liabilities	–	–	–	–	–	–	–	4.63	–	–	4.63	–	4.63
Transfer from/(to) retained earning	–	–	–	(3.54)	627.56	(624.02)	–	–	–	–	–	–	–
Employee share options (net)	–	–	–	(79.45)	–	–	–	–	–	–	(79.45)	178.37	98.92
Dividend paid	–	–	–	–	–	(4676.22)	–	–	–	–	(4676.22)	(1050.51)	(5726.73)
Non-controlling interest on acquisition of a subsidiary	–	–	–	–	–	–	–	–	–	–	–	104.29	104.29
Change due to dilution of non-controlling interest	–	–	–	–	–	107.73	–	–	–	–	107.73	(16.98)	90.75
Balance as at 31-3-2026	282.44	335.11	220.06	342.18	5392.68	100764.28	1344.24	512.74	(179.06)	–	109014.67	19240.66	128255.33

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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Chairman & Managing Director
(DIN 02255382)

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Consolidated Statement of Cash Flows for the year ended March 31, 2026

₹ crore

Particulars	2025-26	2024-25
A. Cash flow from operating activities:		
Profit before exceptional items and tax	27698.25	23104.01
Adjustments for:		
Dividend received	(291.84)	(117.05)
Depreciation, amortisation, impairment and obsolescence	4364.75	4121.18
Exchange difference on items grouped under financing/investing activities	81.06	(5.91)
Effect of exchange rate changes on cash and cash equivalents	(309.83)	(2.17)
Finance costs	2625.46	3173.35
Interest income	(3017.25)	(2449.87)
(Profit)/loss on sale of Property, plant and equipment, Investment property and Intangible assets (net)	(79.08)	(187.64)
(Profit)/loss on sale/fair valuation of investments (net)	(1862.65)	(1133.12)
Bad debts and advances written off & Allowances for expected credit loss (net)	4036.46	3532.08
Employee stock option-discount	115.31	222.60
(Profit)/Loss on investments/loans towards financing activity (net)	7.43	(67.20)
Profit on transfer of business undertaking in Development Projects business	–	(187.44)
(Gain)/loss on de-recognition of lease liability/right-of-use assets	(34.55)	(33.29)
Others	(103.79)	11.57
Operating profit before working capital changes	33229.73	29981.10
Adjustments for :		
(Increase)/decrease in trade and other receivables	(28150.93)	(10316.00)
(Increase)/decrease in inventories	(2200.95)	(539.52)
Increase/(decrease) in trade and other payables	45127.59	9835.07
Cash generated from operations before financing activities	48005.44	28960.65
(Increase)/decrease in loans and advances towards financing activities	(25233.30)	(14208.20)
Cash generated from operations	22772.14	14752.45
Direct taxes paid [net]	(6031.17)	(5601.10)
Net cash generated from operating activities	16740.97	9151.35
B. Cash flow from investing activities:		
Purchase of Property, plant and equipment, Investment property and Intangible assets	(4809.19)	(4418.83)
Sale of Property, plant and equipment, Investment property and Intangible assets	340.51	878.17
Purchase of non-current investments	(2114.32)	(2284.26)
Sale of non-current investments	1190.36	1726.33
(Purchase)/sale of current investments (net)	(10832.06)	(5950.82)
. Change in other bank balance and cash not available for immediate use	3010.75	(7192.21)
Deposits/loans given to associates, joint ventures and third parties	(422.67)	(448.54)
Deposits/loans repaid by associates, joint ventures and third parties	334.74	318.77
Interest received	2700.71	2083.51
Dividend received from joint ventures/associates	35.47	27.27
Dividend received from other investments	291.84	117.05
Consideration received on transfer of other business undertaking	–	52.54
Consideration received on disposal of subsidiaries/joint venture	–	1065.37
Consideration received on transfer of business undertaking in Development Projects business	–	634.20
Consideration paid on acquisition of business	(745.10)	–
Consideration paid on acquisition of Subsidiaries (including contingent consideration)	(269.43)	(1049.85)
Cash and cash equivalents acquired pursuant to acquisition of subsidiaries/business	123.74	29.71
Cash and cash equivalents classified to held for sale	(319.05)	–
Consideration paid on acquisition of stake in an associate/joint venture	(255.14)	(1096.56)
Net cash used in investing activities	(11738.84)	(15508.15)

Consolidated Statement of Cash Flows for the year ended March 31, 2026 (contd.)

₹ crore

Particulars	2025-26	2024-25
C. Cash flow from financing activities:		
Proceeds from issue of share capital (including share application money) [net]	7.52	9.32
Proceeds from non-current borrowings	40637.03	38199.71
Repayment of non-current borrowings	(36403.49)	(30782.41)
Proceeds from/ (repayment of) other borrowings (net)	3056.63	8297.30
Payment (to)/from non-controlling interest (net)	(914.66)	(1196.18)
Settlement of derivative contracts related to borrowings	37.27	50.24
Dividends paid	(4676.22)	(3849.57)
Repayment of lease liability	(718.28)	(562.30)
Interest paid on lease liability	(233.43)	(193.84)
Interest paid (including cash flows on account of interest rate swaps)	(2948.80)	(3415.65)
Net cash generated from/(used in) financing activities	(2156.43)	6556.62
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2845.70	199.82
Cash and cash equivalents at beginning of the year	12187.00	11958.50
Effect of exchange rate changes on cash and cash equivalents	358.54	28.68
Cash and cash equivalents at end of the year	15391.24	12187.00

Notes:

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
2. Property, plant and equipment, Investment property and Intangible assets are adjusted for movement of (a) Capital work-in-progress for Property, plant and equipment, (b) Investment property under construction and (c) Intangible assets under development during the year.
3. Previous year's figures have been regrouped/reclassified wherever applicable.

In terms of our report attached
For M S K A & ASSOCIATES LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm's Registration No.105047W/W101187
by the hand of

VISHAL VILAS DIVADKAR
Partner
Membership No. 118247

Mumbai, May 5, 2026

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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Company Secretary & Compliance Officer
(Membership No. ACS16354)

Notes forming part of the Consolidated Financial Statements

NOTE [1](i)

Company Overview

The Consolidated Financial Statements comprise financial statements of "Larsen & Toubro Limited" ("L&T", the "Parent Company" or the "Company") and its subsidiaries (collectively referred to as "the Group") for the year ended March 31, 2026. The Company is a public limited company incorporated and domiciled in India and has its registered office at L&T House, Ballard Estate, Mumbai – 400001. The Company's share is listed on National Stock Exchange of India Limited (NSE) and BSE Limited.

The Group is an Indian multinational engaged in Engineering, Procurement and Construction business (EPC Projects), Hi-Tech Manufacturing and Services, operating across multiple geographies. Further details of the business operations of the Group are mentioned in Note 46 Segment Information.

NOTE [1](ii)

Material Accounting Policy Information

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. These consolidated financial statements have been approved for issue by the Board of Directors at its meeting held on May 5, 2026.

(b) Basis of accounting and measurement

The Group maintains its accounts on accrual and going concern basis following historical cost convention, except for certain assets and liabilities that are measured at fair value in accordance with Ind AS.

Fair value measurements are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;

(ii) Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the assets or liabilities, either directly or indirectly; and

(iii) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Above levels of fair value hierarchy are applied consistently and generally, there are no transfers between the levels of the fair value hierarchy unless the circumstances change warranting such transfer.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(c) Presentation of consolidated financial statements

The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Consolidated Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the consolidated financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the consolidated financial statements are presented in Indian Rupees in crore [1 crore = 10 million] rounded off up to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupees up to two decimal places.

(d) Basis of consolidation

(i) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

(ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired are included in the Consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information (contd.)

(iii) The consolidated financial statements of the Group combine financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries are harmonised to ensure the consistency with the policies adopted by the Parent Company.

Profit or loss and other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests, shown separately in the consolidated financial statements.

(iv) Non-controlling interests represent that part of the total comprehensive income and net assets of subsidiaries attributable to the interest which is not owned, directly or indirectly, by the Parent Company.

(v) The gains/losses in respect of part divestment/dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Parent Company in the consolidated financial statements.

(vi) The gains/losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value, with the corresponding effect recognised in the Statement of Profit and Loss as on the date the control is ceded. Such retained interest is subsequently accounted as investment in an associate or a joint venture or as a financial asset.

(e) Investments in joint ventures and associates

When the Group has with other entities joint control of the arrangement and rights to the net assets of the joint arrangement, it recognises its interest as joint ventures. Joint control exists when the decisions about the relevant activities (i.e. activities that significantly affects the investee's returns) require unanimous consent of the parties sharing the control. When the Group has significant influence over the other entity, it recognises such interest as investment in associates. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over the entity.

The results, assets and liabilities of joint ventures and associates are incorporated in the consolidated financial statements using equity method of accounting after making necessary adjustments to achieve uniformity in application of accounting policies, wherever required.

An investment in joint ventures or associates is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the joint ventures or associates. Gain or loss in respect of changes in Other Equity of joint ventures or associates resulting from divestment or dilution of stake in the joint ventures and associates is recognised in the Statement of Profit and Loss. On acquisition of investment in a joint venture or associate, any excess of cost of investment over the fair value of the assets and liabilities of the joint venture and associate, is recognised as goodwill and is included in the carrying value of the investment in the joint venture and associate. The excess of fair value of assets and liabilities over the investment is recognised directly in equity as capital reserve.

The unrealised profits/losses on transactions with joint ventures and associates are eliminated by reducing the carrying amount of investment.

The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is evidence of impairment.

When the Group's share of losses of a joint venture or an associate exceeds the Group's interest in that joint venture or the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture or the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or the associate.

Upon classification of investment in joint ventures and/or associates as held for sale, equity accounting is discontinued in respect to that interest.

(f) Interests in joint operations

When the Group has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities (i.e. activities that significantly affects the investee's returns) require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement, thereby forms part of the consolidated financial statements. Interests in joint operations are included in the segments to which they relate.

(g) Business combination/Goodwill on consolidation

The Group accounts for business combinations under acquisition method of accounting. Acquisition-related costs are recognised in the Statement of Profit and Loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions

Notes forming part of the Consolidated Financial Statements (contd.)

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for recognition are recognised at their fair values at the acquisition date. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively with corresponding adjustments to goodwill or capital reserve as the case maybe, else recognised in the Statement of Profit and Loss.

Goodwill arising on consolidation of acquisitions represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidiary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidiary as on the date of acquisition of control. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised as Capital Reserve.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the acquisition.

After initial recognition, goodwill arising on consolidation is tested for impairment annually and measured at cost less accumulated impairment losses, if any. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Business combinations arising from transfers of interests in entities that are under common control are accounted using pooling of interest method. The difference between consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in equity.

(h) Operating cycle for current and non-current classification

Operating cycle for the business activities of the Group covers the duration of the specific project or contract or product line or service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business. Accordingly, assets and liabilities related to specific projects or contracts are classified as current, based on its operating cycle. Assets and liabilities other than those relating to specific project or contract or product line or service are classified as current if it is expected to realise or settle within 12 months after the balance sheet date.

(i) Revenue recognition

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to customer.

For performance obligation satisfied over time, the revenue recognition is done using input method by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to date, to the total estimated cost attributable to the performance obligation as it best depicts the transfer of control that occurs as costs are incurred.

The Group transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

(a) the customer simultaneously consumes the benefit of the company's performance or

(b) the customer controls the asset as it is being created/enhanced by the company's performance or

(c) there is no alternative use of the asset and the company has either explicit or implicit right of payment considering legal precedents.

In all other cases, performance obligation is considered as satisfied at a point in time.

A. Revenue from sale of manufactured and traded goods including contracts for supply/commissioning of complex plant and equipment is recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Group will collect the consideration to which it is entitled for the exchanged goods. Revenue from commissioning of complex plant and equipment is recognised either 'over time' or 'in time' based on assessment of the transfer of control as per the terms of the contract.

B. Revenue from construction/project related activity is recognised as follows:

- Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
- Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [1](ii)

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performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to date, to the total estimated contract costs. With respect to contracts, where the outcome of the performance obligation cannot be reasonably measured, but the costs incurred towards satisfaction of performance obligation are expected to be recovered, the revenue is recognised only to the extent of costs incurred.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Group expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

The Group includes variable consideration (including estimated amounts of claims) as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when its recovery is highly probable and that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged off in profit & loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfill a contract which are expected to be recovered are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to date, to the total estimated cost attributable to the performance obligation.

Significant judgments are used in:

a. Determining the revenue to be recognised in case of performance obligation satisfied over a period of time. Revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

b. In estimation of total revenue and cost at completion considering the nature of work required to be performed on many of the performance obligation are complex and are subject to many variables.

c. Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

d. Determining the method to be applied to arrive at the variable consideration including variations and claims requiring an adjustment to the transaction price. Variable consideration is recognised when the recovery of such consideration is highly probable. The recognition and estimates of variable consideration including claims are based on Management's assessment of contractual tenability of the claims/variations, discussions/negotiations with the customers, and legal opinion where required.

Due to the nature of business of the Group, determining the revenue, measurement of progress, expected losses as mentioned above, is subject to many variables and requires significant judgement. Variability in the transaction price arises primarily due to price variation clauses, liquidated damages, changes in scope, claims etc. which could be at various stages of negotiation, discussions, litigation with the customer. Apart from other factors, Group also considers its experience with similar transactions and expectations while recognising and estimating the amount of variable consideration to be considered.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Excess of billing over revenue". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

The Group recognises impairment loss (termed as provision for expected credit loss in the consolidated financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

C. Revenue from property development activities is recognised when performance obligation is satisfied, customer obtains control of the property transferred and a reasonable expectation of collection of the sale consideration from the customer exists.

Notes forming part of the Consolidated Financial Statements (contd.)

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Material Accounting Policy Information (contd.)

D. In the case of the development project business and the realty business, revenue includes profit on sale of investment properties or sale of business undertaking/stake in the subsidiary and/or joint venture companies as the sale/divestments are inherent in the business model.

E. Rendering of services

Revenue from rendering of services is recognised over time as the customer receives the benefit of the company's performance and the company has an enforceable right to payment for services transferred.

In respect of information technology business and technology services business, revenue from contracts awarded on time and material basis is recognised over a period of time when relevant services are rendered and related costs are incurred. Revenue from fixed price contracts is recognised over a period of time using the proportionate completion method.

Revenue from contracts for rendering of engineering design services and other services which are directly related to the construction of an asset is recognised on the same basis as stated in (i) B above.

F. In respect of financial services business and finance lease activity, income from interest-bearing loans/lease is recognised on accrual basis over the life of the loans/lease based on the effective yield. Income from bill discounting, advisory and syndication services and other financing activities is accounted on accrual basis.

G. Revenue on account of construction services rendered in connection with Build-Operate-Transfer (BOT) projects undertaken by the Group is recognised during the period of construction using percentage of completion method. After the completion of construction period, revenue from fare collection is recognised based on use of tokens, money value of the actual usage in case of smart cards and other direct fare collection.

H. Commission income is recognised when the terms of the contract are fulfilled.

I. Course fees/subscription income is recognised over time as per the course/subscription duration and agreed terms.

J. Revenue from charter hire is recognised as per the terms of the time charter agreement.

K. Revenue from operation and maintenance services of power plant receivable under the Power Purchase Agreement is recognised on accrual basis.

L. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and the right to receive the income is established as per the terms of the contract.

M. Warranty and other related obligation

The Group accounts for provision of warranty, return, refund and other similar obligations in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". Refer below for policy on provisions, contingent liabilities and contingent assets.

(j) Other income

A. Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

B. Dividend income is accounted in the period in which the right to receive the same is established.

C. Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Group, are recognised as other income/reduced from underlying expenses in profit or loss in the period in which such costs are incurred. Government grants related to an asset are reduced from the cost of an asset until the asset is ready to use and the grant post that is presented as deferred income. Subsequently the grant is recognised as income in profit or loss on a systematic basis over the expected useful life of the related asset. Government grant receivable in the form of duty credit scrips is recognised as other income in the Statement of Profit and Loss in the period in which the export is done or the application is made to the government authorities and to the extent there is no uncertainty towards its receipt.

D. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Notes forming part of the Consolidated Financial Statements (contd.)

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Material Accounting Policy Information (contd.)

(k) Exceptional items

An item of income or expense which by its size, nature and incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in Statement of Profit and Loss and in the notes forming part of the consolidated financial statements.

(l) Property, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.

All directly attributable costs related to the acquisition of PPE and borrowing costs in case of qualifying assets are capitalised in accordance with the Group's accounting policy.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads. All direct cost that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalised as a part of the cost of the PPE.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress". (Also refer to the policies on leases, borrowing costs, impairment of assets and foreign currency transactions below).

Depreciation is recognised using straight-line method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful life specified in Schedule II to the Act, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset then useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from owned assets is calculated pro rata from the date it is put to use.

PPE is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

(m) Investment property

Properties (including those under construction) held to earn rentals and/or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs and borrowing cost capitalised for qualifying assets, in accordance with the Group's accounting policy. Policies with respect to depreciation, useful life and derecognition are on the same basis as stated in PPE above.

(n) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, including borrowing costs capitalised for qualifying assets and reduced by accumulated amortisation and cumulative impairment, if any. All directly attributable costs and other administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Research and development expenditure on new products:

(i) Expenditure on research is expensed under respective heads of account in the period in which it is incurred

Notes forming part of the Consolidated Financial Statements (contd.)

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(ii) Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;

B. the Group has intention to complete the intangible asset and use or sell it;

C. the Group has ability to use or sell the intangible asset;

D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;

E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

F. the Group has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Fare collection rights obtained in consideration for rendering construction services represent the right to collect fare during the concession period in respect of Build-Operate-Transfer (BOT) projects undertaken by the Group. Fare collection rights are capitalised as intangible asset upon completion of the project at the cumulative construction costs including related margins.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

Intangible assets are amortised on straight-line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year and the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(o) Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, investment property, intangible assets and investments in joint ventures and associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property, intangible assets and investments in joint ventures and associates are tested for impairment so as to determine the impairment loss, if any. Goodwill and intangible assets not available for use are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of fair value less costs of disposal and the value-in-use; and

(ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.

(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the entity and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements (contd.)

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(p) Employee benefits

(i) Short-term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, bonus, ex-gratia, and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.

(ii) Post-employment benefits:

A. Defined contribution plans: The Group's superannuation scheme, state governed provident fund scheme, employee state insurance scheme, social security contributions and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

B. Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Group, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance costs. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Other long-term employee benefits:

The obligation recognised in respect of other long-term benefits is measured at present value of estimated future cash flows expected to be made by the Group and is recognised in a similar manner as in the case of defined benefit plans vide (ii) B above.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefits expenses. Interest cost implicit in long term employee benefit cost is recognised in the Statement of Profit and Loss under finance cost.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Group's offer of the termination benefit can no longer be withdrawn or when the Group recognises the related restructuring costs, whichever is earlier.

(q) Leases

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is recognised at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, as reduced by any lease incentives received.

The lease liability is initially measured at the present value of the lease payments, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease

Notes forming part of the Consolidated Financial Statements (contd.)

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liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

(i) Low value leases; and

(ii) Leases which are short term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Asset held under finance lease is initially recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Groups' net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Group recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Group presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

In case of sale and leaseback transactions, the Group first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is at market terms, the Group effectively derecognises the asset, recognises a ROU asset (and lease liability) and recognises in Statement of Profit and Loss, the gain or loss relating to the buyer-lessor's rights in the underlying asset.

(Also refer to policy on Property, Plant and Equipment above)

(r) Financial instruments

Financial assets and/or financial liabilities are recognised when the Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from, as the case may be, the fair value of such financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets

A. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, as follows:

1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value

2. Other investments in debt instruments – at amortised cost (unless the same are designated as fair value through profit or loss), subject to following conditions:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of the Consolidated Financial Statements (contd.)

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3. Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss)
   - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
   - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
4. Debt instruments at FVTPL is a residual category for debt instruments, if any, and all changes are recognised in profit or loss.
5. Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.
6. Trade receivables, security deposits, cash and cash equivalents, employee and other advances – at amortised cost.
7. The Group has elected to measure the investments in associates and joint ventures held through unit trusts at FVTPL.

B. For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

C. A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the group has transferred substantially all the risks and rewards of the asset, or b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss.

D. Impairment of financial assets: For trade receivable, the Group applies the simplified approach of Ind AS 109, which require measurement of loss allowance at an amount equal to lifetime expected credit losses. The Group recognises impairment loss using expected credit loss model which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 and is adjusted for forward looking information.

For all other financial assets, expected credit losses (ECL) are recognised based on the difference between the contractual cashflows and all the expected cash flows, discounted at the original effective interest rate. ECLs are measured at an amount equal to 12-month expected credit losses or at an amount equal to lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In respect of financial services business, the Group applies a separate model of the expected credit loss for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables and other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL as follows:

- Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for e.g. prepayment, extension, call and similar options) through the expected life of that financial instrument.
- The loss allowance for a financial instrument is measured at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the loss allowance for that financial instrument is measured at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months weighted by the probability of default after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information (contd.)

- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses. To make that assessment, the risk of a default occurring on the financial instrument as at the reporting date is compared with the risk of a default occurring on the financial instrument as at the date of initial recognition using reasonable and supportable information, that is available without undue cost or effort.

(ii) Financial liabilities

A. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings, trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using Effective Interest Rate (EIR) method.

B. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

(iii) The Group designates certain hedging instruments such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

A. Fair value hedges: Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

B. Cash flow hedges: In case of forward contracts, the forward element/foreign currency basis spread and the spot element are separated and only the change in the value of the spot element is designated as hedging instrument. In case of options, the intrinsic value and time value are separated and only the change in intrinsic value is designated as hedging instrument.

(i) Accounting of spot element/intrinsic value of options: The changes in the fair value of hedge instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item.

(ii) Accounting of forward element/foreign currency basis spread/time value of options: The changes in fair value are recognised in other comprehensive income and accumulated in equity as "cost of hedging reserve". For a transaction related hedged item, the amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. For a time related hedged item, the time value on the date on which the hedged item affects profit or loss are reclassified to profit or loss as a reclassification adjustment on a straight-line basis over the period of the hedging instrument.

The cash flow hedges are allocated to the forecast transactions on gross exposure basis. Where the hedged forecast transaction results in the recognition of a non-financial asset, such gains/losses are transferred from hedge reserve (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised in profit or loss.

(iv) Compound financial instruments issued by the Group which can be converted into fixed number of equity shares at the option of the holders irrespective of changes in the fair value of the instrument are accounted by recognising the liability and the equity components separately. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information (contd.)

(s) Inventories

Inventories are valued after providing for obsolescence, as under:

(i) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

(ii) Manufacturing work-in-progress at lower of weighted average cost including related overheads or net realisable value. In some cases, manufacturing work-in-progress are valued at lower of specifically identifiable cost or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.

(iii) Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location. Taxes which are subsequently recoverable from taxation authorities are not included in the cost.

(iv) Completed property/work-in-progress (including land) in respect of property development activity at lower of specifically identifiable cost or net realisable value.

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

(t) Cash and bank balances

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and bank balances.

(u) Securities premium

(i) Securities premium includes:

A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.

B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

(v) Earnings per share

Basic earnings per share is computed using the net profit or loss after tax for the year attributable to the equity shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss after tax for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

(w) Borrowing Costs

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings, to the extent they are regarded as an adjustment to finance costs. In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(x) Share-based payment arrangements

The stock options granted to employees in terms of the Group's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the retained earnings. The share-based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information (contd.)

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(y) Foreign currencies

(i) The functional currency and presentation currency of the Group is Indian Rupee. Functional currency of the Group and foreign operations has been determined based on the primary economic environment in which the Group and its foreign operations operate considering the currency in which funds are generated, spent and retained.

(ii) Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date or a rate that approximates with it at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the closing spot rate. Non- monetary items that are measured in terms of historical cost in foreign currency are not translated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise except for:

A. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when such exchange differences are regarded as an adjustment to finance costs on those foreign currency borrowings;

B. exchange differences on transactions entered into to hedge certain foreign currency risks; and

C. exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur or included in the net investment in foreign operation and are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

(iii) Exchange rate as of the date on which the non-monetary asset or non-monetary liability is recognised on payment or receipt of advance consideration is used for initial recognition of related asset, liability, expense or income.

(iv) Financial statements of foreign operations whose functional currency is different than Indian Rupee are translated into Indian Rupee as follows:

A. assets and liabilities are translated at the closing rate at the date of that Balance Sheet;

B. income and expenses are translated at average exchange rate for the reporting period; and

C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations. The portion of foreign currency translation reserve attributed to non-controlling interests is reflected as part of non-controlling interests.

(z) Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Segment accounting policies are in line with the accounting policies of the Group. In addition, the following specific accounting policies have been followed for segment reporting:

(i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including (a) inter- segment revenue and (b) profit on sale of business undertaking/stake in the subsidiary and/or joint venture companies under development projects segment and realty business grouped under "Others" segment.

(ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result. In respect of (a) Financial Services segment and (b) Development Projects segment relating to power generation asset given on finance lease, the finance costs on borrowings are accounted as segment expenses.

(iii) Most of the common costs are allocated to segments mainly on the basis of the respective segment revenue estimated at the beginning of the reporting period.

(iv) Income and expense not allocable to segments is included in "Unallocable corporate income net of expenditure".

(v) Segment result represents profit before interest and tax and includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Group. It also includes the finance costs incurred on interest bearing advances with corresponding credit included in "Unallocable corporate income net of expenditure". Segment result are not adjusted for any exceptional item.

(vi) Segment assets and liabilities include those directly identifiable with the respective segments. In respect of (a) Financial Services segment, and (b) Development Projects segment relating to power generation asset given on finance lease, segment liabilities include borrowings as the finance costs on the borrowings are accounted as segment expenses. Investment in joint ventures and associates identified with a particular segment are reported as part of the segment assets of those respective segments.

Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information (contd.)

(vii) Segment non-cash expenses forming part of segment expenses also includes the fair value of the employee stock options which is accounted as employee compensation cost [Note 1(ii)(x) above] and is allocated to the segment.

(viii) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price which are either determined to yield a desired margin or agreed on a negotiated basis

(aa) Taxes on income

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the applicable tax laws, and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances. The computation reflects the effect of uncertainty for each item of allowance and disallowance as appropriate either by i). expected value method which sums the probability-weighted amounts in a range of possible outcomes or ii). the most likely amount in a range of possible outcomes.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains"/other temporary differences are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised, to the extent it is probable that such unutilised tax credits will get realised, in the period in which such determination is made.

The Group has applied mandatory exception of recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes as required in Ind AS 12 (as amended).

Transaction or event which is recognised outside profit or loss, either in Other comprehensive income or in equity or in case of business combination, is recorded along with the tax as applicable.

(ab) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

(i) the Group has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

(i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation arising from past events where:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [1](ii)

Material Accounting Policy Information (contd.)

(ac) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to associate and joint venture companies; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

(ad) Discontinued Operations and non-current assets held for sale

Discontinued operation is a component of the Group that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

(ae) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the profit before tax excluding exceptional items for the effects of:

i. changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

(af) Key sources of estimation

The preparation of consolidated financial statements in conformity with Ind AS requires that the management of the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the consolidated financial statements. The estimates and underlying assumptions made by the management are explained under respective policies. Revisions to accounting estimates include useful life of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/recoverable amount measurement, tax provisions etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

NOTE [1](iii)

Recent Pronouncement

The below amendments to the existing standard which are notified by Ministry of Corporate Affairs but are not yet effective:

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of consolidated financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the consolidated financial statements.

The Group does not expect this amendment to have an impact on its operations or consolidated financial statements.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [2]

Property, Plant and Equipment and Capital work-in-progress

₹ crore

Class of assets	Cost								Depreciation							Impairment	Book value
	As at 1-4-2025	Business combination	Additions	Transfer*	Foreign curreny fluctuation	Classified as held for sale	Deductions	As at 31-3-2026	Up to 31-3-2025	For the year	Transfer*	Foreign curreny fluctuation	Classified as held for sale	Deductions	Up to 31-3-2026	Up to 31-3-2026	As at 31-3-2026
Land																	
Freehold	877.76	–	120.80	(0.71)	–	–	–	997.85	–	–	–	–	–	–	–	–	997.85
Leasehold	145.63	–	–	–	–	–	0.16	145.47	17.71	1.60	–	–	–	0.02	19.29	–	126.18
Sub total	1023.39	–	120.80	(0.71)	–	–	0.16	1143.32	17.71	1.60	–	–	–	0.02	19.29	–	1124.03
Buildings	6993.25	–	514.55	(94.33)	37.90	9.99	28.12	7413.26	1605.17	254.76	(63.10)	19.53	2.23	42.60	1771.53	530.09	5111.64
Plant & equipment																	
Owned	14704.98	4.10	1375.76	16.52	71.25	67.72	319.59	15785.30	8565.09	1498.12	16.09	48.96	6.14	258.22	9863.90	615.42	5305.98
Leased out	161.42	–	–	(10.65)	–	135.64	0.68	14.45	93.29	12.18	(10.65)	–	94.14	0.68	–	–	14.45
Sub total	14866.40	4.10	1375.76	5.87	71.25	203.36	320.27	15799.75	8658.38	1510.30	5.44	48.96	100.28	258.90	9863.90	615.42	5320.43
Computers																	
Owned	2803.26	0.70	509.70	(1.04)	24.41	13.74	171.74	3151.55	1962.97	388.35	(1.04)	16.94	10.59	168.34	2188.29	0.24	963.02
Sub total	2803.26	0.70	509.70	(1.04)	24.41	13.74	171.74	3151.55	1962.97	388.35	(1.04)	16.94	10.59	168.34	2188.29	0.24	963.02
Office equipment																	
Owned	870.58	3.79	226.06	(0.70)	11.10	18.79	31.93	1060.11	611.80	119.21	(0.62)	8.64	13.94	28.43	696.66	0.05	363.40
Sub total	870.58	3.79	226.06	(0.70)	11.10	18.79	31.93	1060.11	611.80	119.21	(0.62)	8.64	13.94	28.43	696.66	0.05	363.40
Furniture and fixtures																	
Owned	671.30	2.69	153.18	(1.51)	4.77	30.44	46.71	753.28	396.14	82.98	(1.34)	4.25	27.86	41.29	412.88	1.60	338.80
Leased out	0.50	–	–	–	–	–	–	0.50	–	–	–	–	–	–	–	–	0.50
Sub total	671.80	2.69	153.18	(1.51)	4.77	30.44	46.71	753.78	396.14	82.98	(1.34)	4.25	27.86	41.29	412.88	1.60	339.30
Vehicles	424.85	–	44.60	–	6.98	3.93	49.72	422.78	245.95	49.40	–	5.16	1.00	36.69	262.82	–	159.96
Other assets																	
Aircraft	249.92	–	556.17	–	–	–	–	806.09	115.14	25.86	–	–	–	–	141.00	–	665.09
Ships	341.49	649.12	1.52	–	20.49	–	–	1012.62	134.38	56.46	–	1.31	–	–	192.15	–	820.47
Shiplift, marine structures and related assets	683.07	–	0.01	–	–	–	–	683.08	358.80	29.43	–	–	–	–	388.23	–	294.85
Breakwater structures	233.43	–	–	–	–	–	–	233.43	59.40	5.01	–	–	–	–	64.41	–	169.02
Leasehold Improvements	631.47	–	148.99	7.94	2.58	1.79	72.18	717.01	352.33	91.71	8.02	1.70	0.57	67.99	385.20	–	331.81
Sub total	2139.38	649.12	706.69	7.94	23.07	1.79	72.18	3452.23	1020.05	208.47	8.02	3.01	0.57	67.99	1170.99	–	2281.24
Total	29792.91	660.40	3651.34	(84.48)	179.48	282.04	720.83	33196.78	14518.17	2615.07	(52.64)	106.49	156.47	644.26	16386.36	1147.40	15663.02
Add: Capital work-in-progress	2390.86	–	1712.90	–	7.51	–	1075.02	3036.25	–	–	–	–	–	–	–	–	3036.25
																	18699.27

* Transfer within property, plant and equipment and Transfer (to) / from investment property/inventories

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [2] (contd.)

Class of assets	Cost								Depreciation								Impairment	Book value
	As at 1-4-2024	Business combination	Additions	Transfer*	Foreign curreny fluctuation	Classified as held for sale	Deductions	As at 31-3-2025	Up to 31-3-2024	Business combination	For the year	Transfer*	Foreign curreny fluctuation	Classified as held for sale	Deductions	Up to 31-3-2025	Up to 31-3-2025	As at 31-3-2025
Land																		
Freehold	854.23	–	46.32	6.50	–	–	29.29	877.76	–	–	–	–	–	–	–	–	–	877.76
Leashold	145.63	–	–	–	–	–	–	145.63	16.11	–	1.60	–	–	–	–	17.71	–	127.92
Sub total	999.86	–	46.32	6.50	–	–	29.29	1023.39	16.11	–	1.60	–	–	–	–	17.71	–	1005.68
Buildings	5904.59	481.03	738.51	(9.10)	6.05	22.98	104.85	6993.25	1356.20	71.61	215.27	(2.14)	3.02	4.37	34.42	1605.17	530.09	4857.99
Plant & equipment																		
Owned	12422.98	907.58	1596.94	(2.88)	12.05	37.14	194.55	14704.98	6996.48	202.16	1,565.28	–	8.93	18.70	187.60	8566.55	614.19	5524.24
Leased out	146.60	–	15.37	(0.32)	–	–	0.23	161.42	80.21	–	12.17	(0.32)	–	–	0.22	91.84	–	69.58
Sub total	12569.58	907.58	1612.31	(3.20)	12.05	37.14	194.78	14866.40	7076.69	202.16	1,577.45	(0.32)	8.93	18.70	187.82	8658.39	614.19	5593.82
Computers																		
Owned	2571.65	21.83	432.38	(0.02)	3.77	–	226.35	2803.26	1786.72	17.22	372.71	–	3.56	–	217.24	1962.97	0.24	840.05
Leased out	6.27	–	–	–	–	–	6.27	–	6.27	–	–	–	–	–	6.27	–	–	–
Sub total	2,577.92	21.83	432.38	(0.02)	3.77	–	232.62	2803.26	1792.99	17.22	372.71	–	3.56	–	223.51	1962.97	0.24	840.05
Office equipment																		
Owned	761.60	2.03	162.11	0.06	0.84	0.42	55.64	870.58	569.05	1.52	94.77	0.06	0.29	0.24	53.65	611.80	0.05	258.73
Leased out	0.02	–	–	–	–	–	0.02	–	–	–	–	–	–	–	–	–	–	–
Sub total	761.62	2.03	162.11	0.06	0.84	0.42	55.66	870.58	569.05	1.52	94.77	0.06	0.29	0.24	53.65	611.80	0.05	258.73
Furniture and fixtures																		
Owned	618.20	6.75	110.44	–	1.99	0.23	65.85	671.30	374.69	4.86	71.30	–	1.77	0.02	56.46	396.14	1.60	273.56
Leased out	14.36	–	0.50	–	–	–	14.36	0.50	7.20	–	–	–	–	–	7.20	–	–	0.50
Sub total	632.56	6.75	110.94	–	1.99	0.23	80.21	671.80	381.89	4.86	71.30	–	1.77	0.02	63.66	396.14	1.60	274.06
Vehicles	407.55	0.37	64.12	0.02	1.75	–	48.96	424.85	231.05	0.36	49.58	–	1.31	–	36.36	245.94	0.01	178.91
Other assets																		
Aircraft	249.92	–	–	–	–	–	–	249.92	100.34	–	14.80	–	–	–	–	115.14	–	134.78
Ships	323.51	–	17.98	–	–	–	–	341.49	113.43	–	20.95	–	–	–	–	134.38	–	207.11
Shiplift, marine structures and related assets	683.07	–	–	–	–	–	–	683.07	329.26	–	29.54	–	–	–	–	358.80	–	324.27
Breakwater structures	233.43	–	–	–	–	–	–	233.43	54.39	–	5.01	–	–	–	–	59.40	–	174.03
Leasehold Improvements	542.00	0.14	154.11	13.50	2.15	12.81	67.62	631.47	358.23	0.14	63.30	–	2.03	4.76	66.61	352.33	–	279.14
Sub total	2031.93	0.14	172.09	13.50	2.15	12.81	67.62	2139.38	955.65	0.14	133.60	–	2.03	4.76	66.61	1020.05	0.01	1119.33
Total	25885.61	1419.73	3338.78	7.76	28.60	73.58	813.99	29792.91	12379.63	297.87	2516.28	(2.40)	20.91	28.09	666.03	14518.17	1146.18	14128.56
Add: Capital work-in-progress	2897.04	1.55	1087.20	(3.55)	5.00	–	1596.38	2390.86	–	–	–	–	–	–	–	–	–	2390.86
																		16519.42

* Transfer within property, plant and equipment and Transfer (to) / from investment property/inventories

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [2] (contd.)

Notes:

(a) Carrying value of property, plant and equipment pledged as collateral for liabilities and/or commitments as at March 31, 2026 ₹ 69.25 crore (previous year: ₹ 40.20 crore)

(b) The movement in impairment is as below:

₹ crore

Particulars	2025-26	2024-25
Opening Balance	1146.18	208.34
Foreign currency fluctuation	1.23	0.25
Addition/(reversal)	–	1.58
Business combination	–	936.01
Closing Balance	1147.41	1146.18

(c) Owned assets given on operating lease have been presented separately under respective class of assets as "Leased out" in accordance with Ind AS 116 "Leases".

(d) Range of useful life of property, plant and equipment is as below:

Sr. no.	Class of assets	Minimum useful life (in years)	Maximum useful life (in years)
1	Leasehold land	15	99
2	Buildings	3	60
3	Plant and equipment	3	35
4	Computers	2	7
5	Office equipment	3	15
6	Furniture and fixtures	3	10
7	Vehicles	3	10
8	Aircraft	18	18
9	Ships	5	20
10	Shiplift, marine structures and related assets and Breakwater structures	20	50

(e) Ageing of Capital work-in-progress

₹ crore

Particulars	As at 31-3-2026					As at 31-3-2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1953.02	585.30	384.11	113.82	3036.25	1778.80	454.08	51.52	106.46	2390.86

As on the date of balance sheet, there is no capital work-in-progress project(s) whose completion is overdue or has exceeded the cost, based on the approved plan

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [3]

Investment Property

₹ crore

Class of assets	Cost						Depreciation						Book value	
	As at 1-4-2025	Additions	Classified as Held for Sale	Transfer*	Deductions	As at 31-3-2026	Up to 31-3-2025	For the year	Classified as Held for Sale	Transfer*	Deductions	As at 31-3-2026	As at 31-3-2026
Land	458.51	11.52	251.71	0.46	75.07	143.71	30.42	4.54	24.89	–	9.65	0.42	143.29
Buildings	909.89	21.78	685.52	0.06	97.98	148.23	180.65	18.46	118.14	0.02	12.69	68.30	79.93
Total	1368.40	33.30	937.23	0.52	173.05	291.94	211.07	23.00	143.03	0.02	22.34	68.72	223.22
Add: Investment property under construction	501.30	405.72	9.90	–	–	897.12	–	–	–	–	–	–	897.12
													1120.34

* Transfer (to) / from property, plant and equipment/inventories

₹ crore

Class of assets	Cost						Depreciation						Book value	
	As at 1-4-2024	Additions	Classified as Held for Sale	Transfer*	Deductions	As at 31-3-2025	Up to 31-3-2024	For the year	Classified as Held for Sale	Transfer*	Deductions	As at 31-3-2025	As at 31-3-2025
Land	799.47	1.21	0.22	(51.60)	290.35	458.51	57.77	7.81	–	–	35.16	30.42	428.09
Buildings	1392.40	121.46	117.91	12.38	498.44	909.89	197.66	62.56	22.28	2.28	59.57	180.65	729.24
Total	2191.87	122.67	118.13	(39.22)	788.79	1368.40	255.43	70.37	22.28	2.28	94.73	211.07	1157.33
Add: Investment property under construction	254.93	614.76	16.10	(281.95)	70.34	501.30	–	–	–	–	–	–	501.30
													1658.63

* Transfer (to) / from property, plant and equipment/inventories

Notes:

(a) Carrying value of Investment property pledged as collateral for liabilities and/or commitments and having restriction on title as at March 31, 2026: Nil (previous year: Nil)

(b) Useful life of building included in investment property: 3 to 60 years

(c) Amounts recognised in the Statement of Profit and Loss in respect of investment property: ₹ crore

Sr. no.	Particulars	2025-26	2024-25
1	Rental income derived from investment property	196.89	143.61
2	Direct operating expenses arising from investment property that generated rental income	51.11	9.93

(d) Details with respect to fair valuation of Investment property: ₹ crore

Particulars	2025-26	2024-25
Fair valuation by:		
(i) Independent registered valuers [1]	24.49	1803.57
(ii) Internal architectural department	5799.10	1835.93
Total fair value	5823.59	3639.50

[1] Independent valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017

(e) Impairment on Investment property under construction recognised in the Statement of Profit and Loss during the year is Nil (previous year Nil).

(f) Ageing of Investment property under construction ₹ crore

Particulars	As at 31-3-2026					As at 31-3-2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	795.90	76.00	3.83	21.39	897.12	191.14	166.85	104.14	39.17	501.30

As on the date of balance sheet, there is no investment property under construction in project(s) whose completion is overdue or has exceeded the cost, based on the approved plan

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [4]

Goodwill

₹ crore

Class of assets	Cost					Impairment	Book value
	As at 1-4-2025	Business combination	Foreign currency fluctuation	Classified as held for sale	As at 31-3-2026	As at 31-3-2026	As at 31-3-2026
Goodwill on consolidation	8396.58	182.39	158.86	208.19	8529.64	48.10	8481.54

Note: Impairment recognised in the Statement of Profit and Loss during the year: Nil (previous year: Nil).

₹ crore

Class of assets	Cost					Impairment	Book value
	As at 1-4-2024	Business combination	Foreign currency fluctuation	Deductions	As at 31-3-2025	As at 31-3-2025	As at 31-3-2025
Goodwill on consolidation	7848.98	535.90	11.70	-	8396.58	48.10	8348.48

Note: Impairment recognised in the Statement of Profit and Loss during the year: Nil (previous year: Nil).

Segment wise Goodwill

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Energy Projects	121.86	121.86
IT & Technology Services	8068.56	7909.70
Development Projects	–	208.19
Financial Services	182.39	–
Others	108.73	108.73
Total	8481.54	8348.48

The goodwill impairment testing is performed at the level of the cash generating unit which represents the smallest identifiable group of assets that generates independent cash flows. The impairment testing is performed annually or whenever there is an indication that the cash generating unit to which the goodwill has been allocated may be impaired. Refer Note 1[ii](o) for policy on impairment of assets.

In determining the value-in-use, cash flow projections approved by appropriate level of management are considered. Key assumptions on which management has based its determination of value-in-use includes estimated growth rates (including terminal growth rates) and discount rates. In circumstances where a reliable value-in-use estimate is difficult to make and market value of the asset or the cash generating unit is readily available, the latter is used for the determination of recoverable amount with appropriate adjustments, as applicable. Cash flow projections are usually considered for next five years except in case of service concession arrangement covering the concession period. Cash flows projections beyond the five-year period are extrapolated using terminal growth rates.

NOTE [5]

Other Intangible assets and Intangible assets under development

₹ crore

Class of assets	Cost							Amortisation					Impairment	Book value
	As at 1-4-2025	Business combination	Additions	Foreign currency fluctuation	Classified as held for sale	Deductions	As at 31-3-2026	Up to 31-3-2025	For the year	Foreign currency fluctuation	Classified as held for sale	Deductions	Up to 31-3-2026	Up to 31-3-2026	As at 31-3-2026
Fare collection rights	16668.63	–	20.57	–	16689.20	–	–	1552.29	278.92	–	1831.21	–	–	–	–
Specialised software	2258.40	0.59	307.73	70.65	8.45	298.04	2330.88	1970.94	200.07	62.65	7.16	291.73	1934.77	0.02	396.09
Technical know-how	204.34	–	29.17	–	–	–	233.51	178.52	5.86	–	–	–	184.38	0.29	48.84
Trade names	473.05	18.00	–	10.43	–	–	501.48	308.46	17.73	12.62	–	–	338.81	–	162.67
New Product Design and Development	6.63	–	–	–	–	0.13	6.50	6.34	0.07	–	–	0.05	6.36	–	0.14
Customer contracts and relationship	3570.62	94.91	–	103.27	–	–	3768.80	2184.06	358.63	81.28	–	–	2623.97	–	1144.83
Rights under licensing agreement	145.30	–	–	15.94	–	–	161.24	124.91	21.08	15.25	–	–	161.24		–
Platforms and Courses	132.44	–	13.20	–	–	3.57	142.07	82.82	29.98	–	–	2.77	110.03	–	32.04
Non-Compete agreement	1.58	54.69	–	–	–	–	56.27	1.37	11.09	–	–	–	12.46	0.21	43.60
Total	23460.99	168.19	370.67	200.29	16697.65	301.74	7200.75	6409.71	923.43	171.80	1838.37	294.55	5372.02	0.52	1828.21
Add: Intangible assets under development	197.82	–	97.60	7.93	7.14	21.51	274.70	–	–	–	–	–	–	–	274.70
															2102.91

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [5] (contd.)

₹ crore

Class of assets	Cost							Amortisation							Impairment **	Book value
	As at 1-4-2024	Business combination	Additions	Foreign currency fluctuation	Transfer*	Deductions	As at 31-3-2025	Up to 31-3-2024	Business combination	For the year	Foreign currency fluctuation	Transfer*	Deductions	Up to 31-3-2025	Up to 31-3-2025	As at 31-3-2025
Fare collection rights	16664.06	–	4.57	–	–	–	16668.63	1273.48	–	278.81	–	–	–	1552.29	–	15116.34
Specialised software	2148.55	36.84	173.07	(0.92)	(4.73)	94.41	2258.40	1829.84	19.18	222.52	(1.25)	(2.96)	96.39	1970.94	0.02	287.44
Technical know-how	174.33	25.19	9.54	–	–	4.72	204.34	126.45	24.90	27.17	–	–	–	178.52	0.29	25.53
Trade names	306.14	141.74	–	0.13	(5.42)	3.86	438.73	306.14	–	11.47	0.13	(5.42)	3.86	308.46	–	130.27
New Product Design and Development	7.45	–	–	–	–	0.82	6.63	6.70	–	0.09	–	–	0.45	6.34	–	0.29
Customer contracts and relationship	3394.62	234.64	–	1.05	10.15	35.52	3604.94	1905.27	–	305.02	0.90	8.38	35.51	2184.06	–	1420.88
Rights under licensing agreement	141.82	–	–	3.48	–	–	145.30	74.74	–	47.82	2.35	–	–	124.91	–	20.39
Platforms and Courses	122.81	–	12.81	–	–	3.18	132.44	52.65	–	31.34	–	–	1.17	82.82	–	49.62
Non-Compete agreement	–	1.59	–	–	–	0.01	1.58	–	1.38	–	–	–	0.01	1.37	0.21	–
Total	22959.78	440.00	199.99	3.74	–	142.52	23460.99	5575.27	45.46	924.24	2.13	–	137.39	6409.71	0.52	17050.76
Add: Intangible assets under development	147.97	–	90.54	(3.45)	–	37.24	197.82	–	–	–	–	–	–	–	–	197.82
																17248.58

* Transfer within other intangible assets

** on account of acquisition of L&T Special Steels and Heavy Forgings Private Limited

Notes:

(a) Details of addition in other intangible assets:

₹ crore

Class of assets	2025-26			2024-25		
	Internal development	Acquired - external	Total	Internal development	Acquired - external	Total
Fare collecion Rights	–	20.57	20.57	–	4.57	4.57
Specialised Software	225.11	82.62	307.73	71.63	101.44	173.07
Technical Know-how	–	29.17	29.17	–	9.54	9.54
Platforms and Courses	13.15	0.05	13.20	7.01	5.80	12.81
Total	238.26	132.41	370.67	78.64	121.35	199.99

(b) Ageing of Intangible assets under development

₹ crore

Particulars	As at 31-3-2026					As at 31-3-2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	242.98	31.13	0.20	0.39	274.70	117.89	31.15	41.26	7.52	197.82

As on the date of balance sheet, there is no intangible assets under development in project(s) whose completion is overdue or has exceeded the cost, based on the approved plan

The estimated useful life for major categories of the intangible assets are as follows:

(i) Specialised software: over a period of two to ten years;
(ii) Technical know-how: over a period of three to eight years;
(iii) New product design and development: over a period of five years;
(iv) Customer contracts and relationship: over a period of the contract which generally is over three to ten years;
(v) Trade name: over a period of three months to six years;
(vi) Platforms and courses: over a period of five years;
(vii) Rights under licensing agreement: over a period of six years;
(viii) Fare collection rights are amortised using the straight-line method over the period of concession[1];

[1] Pertains to L&T Metro Rail (Hyderabad) Limited, classified as held for sale [Note 45(a)].

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [5] (contd.)

Notes:

(1) Borrowing cost capitalised in accordance with Ind AS 23 "Borrowing Costs" is as follows:

₹ crore

Class of Assets	2025-26	2024-25
Capital work-in-progress		
Property, plant and equipment - building	87.78	55.23
Investment property under construction	47.91	10.15
Total	135.69	65.38

(2) The average borrowing cost used for capitalisation is 7.44% (previous year : 7.59%).

NOTE [6]

Non-current assets: Financial assets - Other investments

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Equity shares	332.73	211.23
Preference shares	303.99	150.75
Government and trust securities	0.14	2100.97
Debentures and bonds	659.59	440.01
InvITs	442.49	150.00
Security receipts	4807.71	5862.44
Units of fund	21.86	22.23
Other investments	25.41	188.60
	6593.92	9126.23

Note: Other investments comprises of Investment in Corporate deposits.

Details of quoted / unquoted investments:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
(a) Aggregate amount of quoted investments and market value thereof;		
Book Value	753.93	2383.64
Market Value	753.93	2383.64
(b) Aggregate amount of unquoted investments;		
Book Value	5839.99	6742.59

NOTE [7]

Non-current assets: Financial assets - Loans towards financing activities

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Considered good - secured	43165.19		39050.58	
Less : Allowance for expected credit loss	124.38		1107.03	
		43040.81		37943.55
Considered good - unsecured	29982.73		26823.42	
Less : Allowance for expected credit loss	365.94		378.91	
Less : Impairment	–		1932.39	
		29616.79		24512.12
Having significant increase in credit risk	1728.39		352.16	
Less : Allowance for expected credit loss	357.48		100.31	
		1370.91		251.85
Credit impaired	3029.11		1366.58	
Less : Allowance for expected credit loss	2061.90		1226.75	
		967.21		139.83
		74995.72		62847.35

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [8]

Non-current assets: Financial assets - Other loans

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Loans and advances to related parties				
Joint ventures and associates, considered good - unsecured		1.09		219.21
Others loans				
Considered good - unsecured	633.46		160.41	
Less: Allowance for expected credit loss	47.84		30.71	
		585.62		129.70
Considered doubtful - unsecured	161.75		144.57	
Less: Allowance for expected credit loss	161.65		144.52	
		0.10		0.05
		586.81		348.96

NOTE [9]

Non-current assets: Financial assets - Others

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Security deposits				
Considered good - unsecured		467.86		485.82
Considered doubtful	45.30		43.48	
Less: Allowance for expected credit loss	45.30	–	43.48	–
Premium Receivable on Financial Guarantee Contracts		53.46		–
Cash and bank balances not available for immediate use		240.81		131.12
Fixed deposits with banks (maturity more than 12 months)		2192.69		225.44
Forward contract receivables		1165.94		469.18
Embedded derivative receivables		155.36		41.55
Other receivables[1]		0.66		509.93
		4276.78		1863.04

[1] As at 31-3-2025 mainly includes receivables towards litigation matters

NOTE [10]

Other non-current assets

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Capital advances:				
Secured	4.50		4.75	
Unsecured	121.54		406.27	
		126.04		411.02
Advance recoverable other than in cash[1]		2573.45		2248.76
		2699.49		2659.78

[1] Mainly includes indirect tax balances and prepaid expenses

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [11]

Current assets: Inventories

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Raw materials [include goods-in-transit ₹ 13.75 crore (previous year: ₹ 34.65 crore)]	439.67	669.98
Components [include goods-in-transit ₹ 40.58 crore (previous year: ₹ 10.42 crore)]	449.67	434.63
Construction materials [include goods-in-transit ₹ 40.08 crore (previous year: ₹ 30.45 crore)]	259.32	240.56
Manufacturing work-in-progress	565.34	373.82
Finished goods	108.28	139.77
Stock-in-trade (in respect of goods acquired for trading) [include goods-in-transit ₹ 34.54 crore(previous year: ₹ 88.08 crore)]	506.29	470.16
Stores and spares [include goods-in-transit ₹ 8.44 crore (previous year: ₹ 6.90 crore)]	329.42	390.97
Loose tools [include goods-in-transit ₹ 0.01 crore (previous year: ₹ 0.02)]	8.97	10.75
Property development projects (including land)	6863.97	4939.91
	9530.93	7670.55

Note: 1. During the year ₹ 28.53 crore (previous year: ₹ 10.28 crore) was recognised as expense towards write-down of inventories (net).

2. During the year ₹ 37.05 crore (previous year: ₹ 26.61 crore) was inventorised (Property development projects) in accordance with Ind AS 23 "Borrowing Costs". The average borrowing cost rate used for inventorisation is 6.86% (previous year : 7.30%).

NOTE [12]

Current assets: Financial assets - Investments

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Equity shares	7.89	10.23
Preference shares	–	53.02
Government and trust securities	11764.09	11787.00
Debentures and bonds	16404.97	8279.34
Mutual funds	18225.88	14516.71
Collateral borrowing and lending obligation (CBLO)	–	299.95
Commercial Paper	1575.41	589.82
InvITs	7511.37	4178.97
Treasury bills and other investments	4035.25	3645.58
	59524.86	43360.62

Details of quoted / unquoted investments:

₹ crore

Particulars		As at 31-3-2026	As at 31-3-2025
(a)	Aggregate amount of quoted investments and market value thereof;		
	Book Value	35480.66	24255.54
	Market Value	35480.66	24255.54
(b)	Aggregate amount of unquoted investments;		
	Book Value (Accounted based NAV)	18133.54	14516.71
	Book Value	5910.66	4588.37

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [13]

Current assets: Financial assets - Trade receivables

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Considered good - secured		14.59		18.38
Considered good - unsecured	65237.05		58448.85	
Less: Allowance for expected credit loss [Note 47(c)]	4790.38		4753.55	
		60446.67		53695.30
Credit impaired	171.24		213.20	
Less: Allowance for expected credit loss [Note 47(c)]	171.24		213.20	
		–		–
		60461.26		53713.68

Note - No trade receivables are due from directors or other officers of the company either severally or jointly with any other person or firms or private companies in which any director is a partner, a director or a member

NOTE [13][a]

Current assets: Financial assets - Trade receivables ageing

₹ crore

Particulars	As at 31-3-2026						
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:							
- Considered good	39993.72	12564.83	2575.40	3003.35	2749.21	2769.86	63656.37
- Credit impaired	0.28	2.14	0.46	0.01	18.44	19.41	40.74
Disputed:							
- Considered good	101.53	–	–	499.97	210.50	783.27	1595.27
- Credit impaired	–	–	–	–	–	130.50	130.50
Gross trade receivables	40095.53	12566.97	2575.86	3503.33	2978.15	3703.04	65422.88
Less: Allowance for expected credit loss							4961.62
							60461.26

₹ crore

Particulars	As at 31-3-2025						
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed:							
- Considered good	33897.53	12921.76	2645.75	4103.16	1066.06	2622.49	57256.75
- Credit impaired	–	1.22	–	18.44	2.60	26.15	48.41
Disputed:							
- Considered good	107.76	0.22	23.02	46.41	103.56	929.51	1210.48
- Credit impaired	–	–	–	–	–	164.79	164.79
Gross trade receivables	34005.29	12923.20	2668.77	4168.01	1172.22	3742.94	58680.43
Less: Allowance for expected credit loss							4966.75
							53713.68

NOTE [14]

Current assets: Financial assets - Cash and cash equivalents

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Balance with banks	9895.10	8595.35
Cheques and drafts on hand	2024.20	677.71
Cash on hand	6.48	7.18
FD with banks & other instruments (original maturity less than 3 months)	3465.46	2906.76
	15391.24	12187.00

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [15]

Current assets: Financial assets - Other bank balances

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Fixed deposits with banks (maturity more than 3 months but less than 12 months)	1698.55	5046.39
Earmarked balances with banks - unclaimed dividend	151.73	146.52
Earmarked balances with banks - Section 4(2)(l)(D) of RERA[1]	362.73	11.52
Earmarked balances with banks - others	150.23	375.20
Margin money deposits with banks	2702.42	4726.21
Cash and bank balances not available for immediate use	390.77	472.50
	5456.43	10778.34

[1] Real Estate (Regulation and Development) Act, 2016

NOTE [16]

Current Assets: Financial Assets - Loans towards financing activities

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Considered good - secured	16699.30		15111.86	
Less : Allowance for expected credit loss	93.20		156.87	
Less : Net fair value changes	25.42		451.66	
		16580.68		14503.33
Considered good - unsecured	25314.95		21864.30	
Less : Allowance for expected credit loss	297.73		483.81	
Less : Impairment	–		56.25	
		25017.22		21324.24
Having significant increase in credit risk	1327.21		333.46	
Less : Allowance for expected credit loss	157.67		83.52	
Less : Net fair value changes	123.08		–	
		1046.46		249.94
Credit Impaired	481.65		–	
Less : Net fair value changes	300.53		–	
		181.12		–
		42825.48		36077.51

NOTE [17]

Current assets: Financial assets - Other loans

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Loans and advances to related parties				
Considered good - unsecured		–		0.29
Others loans				
Considered good - unsecured	757.91		489.74	
Less : Allowance for expected credit loss	123.45		73.18	
		634.46		416.56
		634.46		416.85

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [18]

Current assets: Financial assets - Others

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Security deposits				
Considered good - unsecured	1031.41		744.19	
Less: Allowance for expected credit loss	0.76		0.76	
		1030.65		743.43
Receivables from related parties:				
Joint ventures		164.82		105.39
Fixed Deposit (existing maturity less than 12 months)		10.25		140.01
Forward contract receivables		2088.84		691.09
Unbilled Revenue		2250.44		1898.23
Premium receivable on financial guarantee contracts		16.92		–
Embedded derivative receivables		734.86		264.81
Doubtful advances:				
Deferred credit sale of ships	–		27.11	
Other loans and advances	179.86		181.97	
	179.86		209.08	
Less: Allowance for expected credit loss	179.86		209.08	
		–		–
Other recoverables[1]		1416.51		1576.93
		7713.29		5419.89

[1] Mainly includes advances receivables from joint operators and other parties

NOTE [19]

Other current assets

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Contract assets [Note 47(c) & Note 47(d)(i)]				
Unbilled revenue	58596.47		48475.84	
Less: Allowance for expected credit loss	2468.51		1958.15	
	56127.96		46517.69	
Retention money	18157.49		15183.95	
Less: Allowance for expected credit loss	57.58		75.50	
	18099.91		15108.45	
		74227.87		61626.14
Advance recoverable other than in cash [1]		17053.44		13913.95
Government grant receivable		21.87		19.74
Other loans and advances - Doubtful	5.84		6.64	
Less: Allowance for expected credit loss	5.84		6.64	
		–		–
		91303.18		75559.83

[1] Mainly includes advances to suppliers and indirect tax balances

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [20]

Equity Share Capital

(a) Share capital authorized, issued, subscribed and paid up:

Particulars	As at 31-3-2026		As at 31-3-2025	
	Number of shares	₹ crore	Number of shares	₹ crore
Authorised:				
Equity shares of ₹ 2 each	40,37,25,00,000	8074.50	40,37,25,00,000	8074.50
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2 each	1,37,56,32,190	275.13	1,37,51,92,165	275.04

(b) Reconciliation of the number of equity shares and share capital:

Particulars	As at 31-3-2026		As at 31-3-2025	
	Number of shares	₹ crore	Number of shares	₹ crore
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,37,51,92,165	275.04	1,37,46,68,619	274.93
Add: Shares issued on exercise of employee stock options during the year	4,40,025	0.09	5,23,546	0.11
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,37,56,32,190	275.13	1,37,51,92,165	275.04

(c) Terms/rights attached to equity shares:

The Company has only one class of share capital, i.e., equity shares having face value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

(d) Shareholders holding more than 5% of equity shares as at the end of the year:

Name of the shareholders	As at 31-3-2026		As at 31-3-2025	
	Number of shares	Shareholding %	Number of shares	Shareholding %
L&T Employees Trust	19,86,79,507	14.44	19,48,87,516	14.17
Life Insurance Corporation of India	17,03,27,420	12.38	18,01,42,821	13.10

Note: The Company's Promoter shareholding is Nil as on March 31, 2026 (previous year: Nil)

(e) Shares reserved for issue under options outstanding on un-issued share capital:

Particulars	As at 31-3-2026		As at 31-3-2025	
	Number of equity shares to be issued as fully paid	₹ crore (at face value)	Number of equity shares to be issued as fully paid	₹ crore (at face value)
Employee stock options granted and outstanding [1]	6,19,584	0.12[2]	10,77,384	0.22[2]

[1] Note 20(i) below for terms of employee stock option schemes

[2] The equity shares will be issued at a premium of ₹ 9.19 crore (previous year: ₹ 17.34 crore)

(f) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2026 are Nil (previous period of five years ended March 31, 2025: Nil)

(g) The aggregate number of equity shares issued pursuant to contract, without payment being received in cash in immediately preceding last five years ended on March 31, 2026 – Nil (previous period of five years ended March 31, 2025: Nil)

(h) The aggregate number of fully paid up equity shares bought back in immediately preceding five years ended March 31, 2026 are 3,12,50,000 shares (previous period of five years ended March 31, 2025: 3,12,50,000 shares)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [20] (contd.)

(i) Employee stock option schemes

(I) Stock option scheme of the Parent Company:

A. Terms:

i. The grant of options to the employees under the stock option schemes is on the basis of their performance and other eligibility criteria. Under Series 2003(B) and 2006(B), options vest equally over a 4 years period and vesting period is 5 years for series 2006(A), subject to the discretion of the management and fulfillment of certain conditions.

ii. Options can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of issue of equity shares. Management has discretion to modify the exercise period.

B. The details of the grants under the aforesaid schemes are summarized below:

Sr. No.	Series reference	2003(B)		2006(A)		2006(B)	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
i.	Grant price (₹)	7.80	7.80	267.10	267.10	267.10	267.10
ii.	Grant dates	23-5-2003 onwards		1-7-2007 onwards		8-7-2023 onwards	
iii.	Vesting commences on	23-5-2004 onwards		1-7-2008 onwards		8-7-2024 onwards	
iv.	Options granted and outstanding at the beginning of the year	4,32,914	6,08,486	2,76,330	5,47,652	3,68,140	4,73,060
v.	Options lapsed	5,040	6,837	13,440	26,235	13,595	8,800
vi.	Options granted	14,300	11,108	–	–	–	2,496
vii.	Options exercised	1,63,197	1,79,843	1,59,763	2,45,087	1,17,065	98,616
viii.	Options granted and outstanding at the end of the year, of which	2,78,977	4,32,914	1,03,127	2,76,330	2,37,480	3,68,140
	Options vested	16,232	18,519	43,794	1,49,744	16,250	19,249
	Options yet to vest	2,62,745	4,14,395	59,333	1,26,586	2,21,230	3,48,891
ix.	Weighted average remaining contractual life of options (in years)	4.31	5.02	1.66	2.35	4.32	5.31

C. The number and weighted average exercise price of stock options are as follows:

Particulars	2025-26		2024-25	
	No. of stock options	Weighted average exercise price (₹)	No. of stock options	Weighted average exercise price (₹)
(A) Options granted and outstanding at the beginning of the year	10,77,384	162.91	16,29,198	170.25
(B) Options granted	14,300	7.80	13,604	55.38
(C) Options allotted	4,40,025	170.93	5,23,546	178.03
(D) Options lapsed	32,075	226.36	41,872	224.76
(E) Options granted and outstanding at the end of the year	6,19,584	150.35	10,77,384	162.91
(F) Options exercisable at the end of the year out of (E) supra	76,276	211.92	1,87,512	241.49

D. Weighted average share price at the date of exercise for stock options exercised during the year is ₹ 3453.74 (previous year: ₹ 3493.67) per share.

E. Weighted average fair values of options granted during the year is ₹ 3224.82 (previous year: ₹ 3205.92) per option.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [20] (contd.)

F. The fair value of the options granted during the year has been calculated using the Black-Scholes Option Pricing Model using the following significant assumptions and inputs:

Sr. No.	Particulars	2025-26	2024-25
i.	Weighted average risk-free interest rate	5.89%	6.78%
ii.	Weighted average expected life of options	2.84 Years	2.91 Years
iii.	Weighted average expected volatility	21.04%	21.64%
iv.	Weighted average expected dividends over the life of the options	₹ 96.47 per option	₹ 81.38 per option
v.	Weighted average share price	₹ 3311.53 per option	₹ 3317.04 per option
vi.	Weighted average exercise price	₹ 7.80 per option	₹ 55.38 per option
vii.	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the company's share price applicable to the total expected life of each option.	

(II) Stock option scheme of subsidiary companies:

(A) LTM Limited (formerly known as LTIMindtree Limited)

The Nomination and Remuneration Committee ('NRC') administers all stock option plans through a trust established specifically for this purpose, called the LTIMindtree Employee Welfare Trust ('ESOP Trust').

(i) Employee Stock Option Scheme 2015 (ESOS 2015)

Shares under this program are granted to employees at an exercise price of not less than ₹ 1 per equity share or such higher price as determined by the Board but shall not exceed the market price as defined in the Regulations. Shares shall vest over such term as determined by the Nomination and Remuneration Committee not exceeding five years from the date of the grant. These options are exercisable within 7 years from the date of grant

(a) The details of the grants under the aforesaid schemes are summarized below:

Sr. No.	Particulars	ESOS 2015	
		2025-26	2024-25
i.	Grant price	₹ 1	₹ 1
ii.	Grant dates	10-6-2016 onwards	
iii.	Vesting commences on	10-6-2017 onwards	
iv.	Options granted and outstanding at the beginning of the year	4,26,348	6,41,976
v.	Options lapsed/cancelled	67,677	85,390
vi.	Options granted	68,196	86,392
vii.	Options exercised	1,55,914	2,16,630
viii.	Options granted and outstanding at the end of the year, of which	2,70,953	4,26,348
	Options vested	71,674	88,956
	Options yet to vest	1,99,279	3,37,392
ix.	Weighted average remaining contractual life of options (in years)	4.70	4.86

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [20] (contd.)

(b) The fair value of the options granted during the year has been calculated using the Black-Scholes Option Pricing Model using the following significant assumptions and inputs:

Sr. No.	Particulars	2025-26	2024-25
i.	Weighted average risk-free interest rate	5.85%	6.74%
ii.	Weighted average expected life of options	2.5 Years	2.5 Years
iii.	Weighted average expected volatility	28.09%	29.15%
iv.	Weighted average expected dividends over the life of the options	₹ 214.11	₹ 213.40
v.	Weighted average share price	₹ 5747	₹ 5321
vi.	Weighted average exercise price	₹ 1	₹ 1
vii.	Weighted average fair value of options	₹ 5746	₹ 5319
viii.	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the company's share price	

(ii) Employee Stock Option Plan 2021 (ESOP 2021)

On May 22, 2021, the shareholders of the Company have approved the Employee Stock Option Plan 2021 ('ESOP 2021') for the issue of upto 20,00,000 options (including the unutilised options under ERSP 2012) to employees of the Company.

The Nomination and Remuneration Committee ('NRC') shall determine the exercise price which will not be less than the face value of the shares. Options under this program are granted to employees at an exercise price periodically determined by the NRC. All stock options have a four-year vesting term. These options are exercisable within 6 years from the date of vesting.

(a) The details of the grant under the aforesaid scheme is summarised below:

Sr. No.	Particulars	Series A		Series B	
		2025-26	2024-25	2025-26	2024-25
i.	Grant price	₹ 10	₹ 10	₹ 3268	₹ 3268
ii.	Grant dates	9-8-2021 onwards		9-8-2021 onwards	
iii.	Vesting commences on	9-8-2022 onwards		9-8-2022 onwards	
iv.	Options granted & outstanding at the beginning of the year	46,513	91,948	68,210	86,959
v.	Options lapsed	1,514	9,587	7170	7,380
vi.	Options granted	–	–	–	–
vii.	Options exercised	22,877	35,848	9,505	11,369
viii.	Options granted and outstanding at the end of the year, of which	22,122	46,513	51,535	68,210
	Options vested	18,408	18,768	51,535	48,389
	Options yet to vest	3,714	27,745	–	19,821
ix.	Weighted average remaining contractual life of options (in years)	4.7	5.8	4.1	5.2

(b) During the year ended March 31, 2026 and March 31, 2025, no new grants have been issued.

(iii) Weighted average share price at the date of exercise for stock options exercised during the year ended March 31, 2026 is ₹ 5253 per share (For the year ended March 31, 2025 ₹ 5549 per share).

(B) L&T Technology Services Limited

(i) ESOP Scheme 2016, include Series A, in which the options are vested equally over a period of 5 years and Series B, in which the options are vested equally over period of 4 years, subject to the discretion of the management and fulfillment of certain conditions.

(ii) The exercise period for the options granted under the ESOP Scheme, 2016 would be seven years from the date of grant of options or six years from the date of first vesting or three years from the date of retirement/death, whichever is earlier, subject to any change as may be approved by the Board. The exercise price may be decided by the Board, in such manner, during such period, in one or more tranches and on such terms and conditions as it may deem fit, provided that the exercise price per option shall not be less than the par value of the equity share of company and shall not be more

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [20] (contd.)

than the market price as defined in the SEBI (Share Based Employee Benefits) Regulations,2021 and shall be subject to compliance with accounting policies under the said regulation. The number of shares to be allotted on exercise of options should not exceed the total number of unexercised vested options that may be exercised by the employee. Details of grant under ESOP Scheme, 2016 is summarised below:

Sr. No.	Particulars	ESOP Scheme, 2016	
		2025-26	2024-25
i.	Grant price	₹ 2	₹ 2
ii.	Grant dates	28-7-2016 onwards	
iii.	Vesting commences on	28-7-2017 onwards	
iv.	Options granted and outstanding at the beginning of the year	3,03,999	3,60,550
v.	Options lapsed	32,475	10,900
vi.	Options granted	24,900	80,200
vii.	Options exercised	1,18,450	1,25,851
viii.	Options granted and outstanding at the end of the year, of which	1,77,974	3,03,999
	Options vested	34,099	39,399
	Options yet to vest	1,43,875	2,64,600
ix.	Weighted average remaining contractual life of options (in years)	2.81	2.80

(iii) Weighted average share price at the date of exercise for stock options exercised during the year is ₹ 4344.55 per share. (previous year ₹ 5029.55 per share).

(iv) There were 24,900 new options granted during the year ended 31-3-2026. The fair value at grant date of options granted during the year ended 31-3-2026 was ₹ 4359.4 & ₹ 4171.3 (previous year: ₹ 5069.8 & ₹ 5242.4). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, term of option, share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The model inputs for options granted during the year included:

Sr. No.	Particulars	2025-26		2024-25	
i.	Weighted average exercise price	2	2	2	2
ii.	Grant date	24-Apr-25	21-Aug-25	25-Apr-24	16-Oct-24
iii.	Expiry date	23-Apr-32	20-Aug-32	25-Apr-31	16-Oct-31
iv.	Weighted average share price at grant date	₹ 4477.90 per option	₹ 4289.50 per option	₹ 5182.85 per option	₹ 5356.90 per option
v.	Weighted average expected price volatility of company's share	29.75%	28.83%	29.32%	28.20%
vi.	Weighted average expected dividend yield over life of option	3.11%	3.25%	2.64%	2.56%
vii.	Weighted average risk-free interest	6.06%	6.03%	7.15%	6.69%
viii.	Method used to determine expected volatility	The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility based on publicly available information.			

(C) L&T Finance Limited (formerly known as L&T Finance Holdings Limited)

The Company has formulated Employee Stock Option Schemes 2010 (ESOP Scheme-2010) and 2013 (ESOP Scheme 2013). The grant of options to the employees under the stock option schemes is on the basis of their performance and other eligibility criteria. The options allotted under the scheme 2010 are vested over a period of four years in the ratio of 15%, 20%, 30% and 35% respectively from the end of 12 months from the date of grant, subject to the discretion of the management and fulfilment of certain conditions. The options granted under the scheme 2013 are vested in a graded manner over a period of four years with 0%, 33%, 33% and 34% of grants vesting each year, commencing from the end of 24 months from the date of grant or w.e.f. July 10, 2019 vested in a graded manner over a period of four years with 25%, 25%, 25% and 25% of grants vesting each year, commencing from the end of 12 months from the date of grant.

Options allotted under scheme 2010 can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of equity. The option granted under scheme 2013 can be exercised anytime within a period of 8 years from the date of grant. Management has discretion to modify the exercise period.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [20] (contd.)

During the year ended March 31, 2026 Nil (previous year: 65,000) and 95,17,915 (previous year: 58,62,791) options were allotted under the scheme 2010 and 2013 respectively.

(i) The details of the grants are summarised below:

Sr. No.	Particulars	Scheme 2010		Scheme 2013	
		2025-26	2024-25	2025-26	2024-25
i.	Grant Price	₹ 44.20		₹ 10.00[1]/Market Price	
ii.	Options granted & outstanding at the beginning of the year	–	65,000	1,77,54,264	2,22,60,003
iii.	Options lapsed	–	–	9,23,080	7,82,948
iv.	Options granted	–	–	4,65,000	21,40,000
v.	Options exercised	–	65,000	95,17,915	58,62,791
vi.	Options granted and outstanding at the end of the year, of which				
	Options vested	–	–	28,50,324	90,47,375
	Options yet to vest	–	–	49,27,945	87,06,889
vii.	Weighted average remaining contractual life of options (in years)	–	–	5.76	4.80

[1] w.e.f. from July 10, 2019

(ii) Weighted average share price of options exercised during the year is ₹ 235.48 (Previous year: ₹ 173.01) per option.

(iii) Weighted average fair values of options granted during the year is ₹ 178.30 (Previous year: ₹ 142.71) per options.

(iv) The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Sr. No.	Particulars	2025-26	2024-45
i.	Weighted average risk-free interest rate	6.04%	6.99%
ii.	Weighted average expected life of options	2.94 years	3 years
iii.	Weighted average expected volatility	36.71%	36.78%
iv.	Weighted average expected dividends (₹)	8.08 per option	7.49 per option
v.	Weighted average share price (₹)	193.32 per option	156.80 per option
vi.	Weighted average exercise price (₹)	10 per option	10 per option
vii.	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the company's shares price applicable to the expected life of each option.	

(III) In respect of stock options granted pursuant to the stock options schemes of the Company and subsidiaries referred above, the fair value of the options is treated as discount and accounted as employee compensation over the vesting period. Expense on Employee Stock Option Schemes debited to the Statement of Profit and Loss during 2025-26 is ₹ 115.31 crore (previous year: ₹ 222.60 crore) Note [37].

(j) Capital Management Note

The Company continues its policy of a conservative capital structure which has ensured that it retains the highest credit rating even amidst an adverse economic environment. Low gearing levels also enable the Company to navigate business challenges on one hand and raise growth capital on the other. This policy also provides flexibility of fund-raising options for future, which is especially important in times of global economic volatility. The gross debt equity ratio is 0.95:1 as at March 31, 2026 (as at March 31, 2025 1.12:1).

During the year ended March 31, 2026, the Company paid the final dividend of ₹ 34 per equity share for the year ended March 31, 2025 amounting to ₹ 4676.22 crore.

The Board of directors, at their meeting held on May 5, 2026 recommended the final dividend of ₹ 38 per equity share for the year ended March 31, 2026 subject to approval from shareholders. On approval, the total dividend outgo is expected to be ₹ 5227.40 crore based on number of shares outstanding as at March 31, 2026.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [21]

Other equity

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Capital reserve [Note 1(II)(g)]				
Capital reserve	10.52		10.52	
Capital reserve on consolidation	271.92		271.92	
		282.44		282.44
Capital redemption reserve [1]		335.11		335.11
Securities premium [Note 1(II)(u)]		220.06		138.43
Employee share options (net) [Note 1(II)(x)]				
Employee share options outstanding	427.34		666.63	
Deferred employee compensation expense	(85.16)		(167.27)	
		342.18		499.36
Statutory reserves				
Debenture redemption reserve [2]	3.12		3.12	
Reserve u/s 45-IC of the Reserve Bank India Act, 1934 [3]	4277.31		3657.25	
Reserve u/s 29C of the National Housing Bank Act, 1987 [4]	11.09		11.09	
Reserve u/s 36(1)(viii) of the Income-tax Act, 1961 [5]	1068.77		1061.27	
Impairment reserve as per Reserve Bank of India [6]	32.39		32.39	
		5392.68		4765.12
Retained earnings		100764.28		89974.25
Foreign currency translation reserve [Note 1(II)(y)(iv)]		1344.24		889.98
Hedging reserve [Note 1(II)(r)(iii)(B)]				
Cash flow hedging reserve	404.61		112.98	
Cost of hedging reserve	108.13		138.35	
		512.74		251.33
Debt instruments through Other comprehensive income [Note 1(II)(r)(i)(B)]		(179.06)		244.54
		109014.67		97380.56

[1] Capital redemption reserve: Created on:

a. Buyback of equity shares out of free reserves and securities premium in accordance with Section 69 of the Companies Act, 2013

b. Redemption of preference shares out of profits in accordance with Section 55(2)(c) of the Companies Act, 2013.

[2] Debenture redemption reserve: Created on non-convertible debentures in accordance with the Companies (Share capital and Debenture) Rules, 2014 (as amended).

[3] Reserve u/s-45 IC of the Reserve Bank of India Act, 1934: Created by subsidiary(ies) by transferring amount not less than twenty per cent of its net profit every year.

[4] Reserve u/s 29C of the National Housing Bank Act, 1987: Created by subsidiary(ies) by transferring amount not less than twenty per cent of its net profit every year.

[5] Reserve u/s 36(1)(viii) of Income tax Act, 1961: Created by subsidiary(ies) by transferring an amount not exceeding twenty percent of the profits derived from eligible business every year.

[6] Impairment reserve as per Reserve Bank of India: Created pursuant to circular issued by Reserve Bank of India where impairment allowance as per Ind AS 109 is lower than the provisioning required as per extant prudential norms.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [22]

Non-current liabilities: Financial liabilities - Borrowings

₹ crore

Particulars	As at 31-3-2026			As at 31-3-2025		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Redeemable non-convertible fixed rate debentures	19482.87	10223.76	29706.63	20363.91	9906.71	30270.62
Term loans from banks	34031.96	–	34031.96	23741.26	–	23741.26
Term loans from others	–	–	–	–	341.41	341.41
Loans from financial institutions	–	–	–	3150.05	–	3150.05
	53514.83	10223.76	63738.59	47255.22	10248.12	57503.34

Notes:

(a) Loans guaranteed by directors: Nil (previous year: Nil)

(b) Non-convertible debentures and borrowings from banks and financial institutions are secured by charge on the specified movable and immovable assets of the respective entities.

NOTE [23]

Non-current liabilities: Other financial liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Forward contract payables	1792.71	63.68
Embedded derivative payables	–	50.83
Financial guarantee contracts	53.86	0.56
Due to others [1]	133.29	137.11
	1979.86	252.18

[1] Mainly includes security deposits, liabilities towards capital goods and liability for other expenses

NOTE [24]

Non-current liabilities: Provisions

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Employee pension scheme [Note 52(b)(i)]	360.33	371.37
Post-retirement medical benefits plan [Note 52(b)(i)]	451.97	433.58
Provision for other employee benefits	16.01	8.50
Other provisions [Note 56(a)]	4.17	310.56
	832.48	1124.01

NOTE [25]

Other non-current liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Deferred Income in respect of Government Grants	16.78	575.17
Other payables[1]	20.04	19.57
	36.82	594.74

[1] Includes payable towards tax matters

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [26]

Current liabilities: Financial liabilities - Borrowings

₹ crore

Particulars	As at 31-3-2026			As at 31-3-2025		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Loans repayable on demand	11081.30	3750.53	14831.83	8196.52	3750.00	11946.52
Short-term loans from banks	11114.87	724.61	11839.48	12051.75	693.09	12744.84
Loans from related parties	–	43.86	43.86	–	1.28	1.28
Commercial paper	–	8063.36	8063.36	–	11168.66	11168.66
	22196.17	12582.36	34778.53	20248.27	15613.03	35861.30

Note: The secured portion of loans payable on demand and bank borrowings are secured by charge on the specified movable and immovable assets of the respective entities.

NOTE [27]

Current liabilities: Financial liabilities - Current maturities of long term borrowings

₹ crore

Particulars	As at 31-3-2026			As at 31-3-2025		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Redeemable non-convertible fixed rate debentures	4419.36	658.26	5077.62	10357.68	7970.80	18328.48
Term loans from banks	18088.28	–	18088.28	15322.70	2199.06	17521.76
Loans from financial institutions	–	–	–	344.46	–	344.46
	22507.64	658.26	23165.90	26024.84	10169.86	36194.70

Notes:

(a) Loans guaranteed by directors: Nil (previous year: Nil)

(b) Non-convertible debentures and borrowings from banks and financial institutions are secured by charge on the specified movable and immovable assets of the respective entities.

NOTE [28]

Current liabilities: Financial liabilities - Other trade payables

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Due to related parties:				
Associates	12.16		14.14	
Joint ventures	1659.53		758.97	
		1671.69		773.11
Due to others (including Supplier Finance Arrangement [Note 50(c)])		65943.59		50272.00
		67615.28		51045.11

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [28][a]

Current liabilities: Financial liabilities - Trade payables ageing

₹ crore

Particulars	As at 31-3-2026						
	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises							
Disputed	–	–	–	–	–	–	–
Undisputed	90.54	1544.16	174.26	13.41	7.81	10.17	1840.35
Sub-total (A)	90.54	1544.16	174.26	13.41	7.81	10.17	1840.35
Others							
Disputed	–	1.77	0.28	0.85	–	–	2.90
Undisputed	26810.51	28147.14	10508.18	943.38	177.26	1025.91	67612.38
Sub-total (B)	26810.51	28148.91	10508.46	944.23	177.26	1025.91	67615.28
Total (A) + (B)	26901.05	29693.07	10682.72	957.64	185.07	1036.08	69455.63

₹ crore

Particulars	As at 31-3-2025						
	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro and small enterprises							
Disputed	–	–	–	–	–	–	–
Undisputed	63.37	1179.05	145.57	11.27	4.88	10.09	1414.23
Sub-total (A)	63.37	1179.05	145.57	11.27	4.88	10.09	1414.23
Others							
Disputed	0.52	2.56	0.04	–	–	0.10	3.22
Undisputed	15591.31	25867.61	8045.13	370.68	195.94	971.22	51041.89
Sub-total (B)	15591.83	25870.17	8045.17	370.68	195.94	971.32	51045.11
Total (A) + (B)	15655.20	27049.22	8190.74	381.95	200.82	981.41	52459.34

NOTE [29]

Current liabilities: Other financial liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Unclaimed dividend	143.77	137.78
Unclaimed interest on debentures	135.85	156.86
Financial guarantee contracts	17.53	0.47
Forward contract payables	3722.22	432.56
Embedded derivative payables	14.01	27.50
Due to others [1] [2]	7059.50	5518.20
	11092.88	6273.37

[1] Due to others include due to directors: ₹ 228.13 crore (previous year: ₹ 137.43 crore)

[2] Mainly includes security deposits, liability towards employee benefits and capital goods

NOTE [30]

Other current liabilities

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Contract liabilities [Note 47(d)(i)]				
Excess of billing over revenue	37663.25		28524.41	
Advances from customers	39585.64		29086.96	
		77248.89		57611.37
Liabilities towards joint operations		780.79		412.38
Liabilities towards employee benefits		2370.64		696.94
Other payables [1]		5461.20		4606.28
		85861.52		63326.97

[1] Mainly includes statutory dues and other non-financial liability

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [31]

Current liabilities: Provisions

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
Provision for employee benefits:				
Gratuity [Note 52(b)(i)]	558.07		405.99	
Compensated absences	2402.99		1999.06	
Employee pension scheme [Note 52(b)(i)]	31.91		31.26	
Post-retirement medical benefits plan [Note 52(b)(i)]	22.45		21.58	
Others	0.24		0.24	
		3015.66		2458.13
Other provisions [Note 56(a)]		1993.37		2233.54
		5009.03		4691.67

NOTE [32]

Contingent Liabilities

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
(a) Claims against the Group not acknowledged as debts *	9218.42	4552.83
(b) Sales tax/GST liability that may arise in respect of matters in appeal	7806.44	6118.60
(c) Excise duty/service tax/customs duty liability that may arise in respect of matters in appeal/ challenged by the Group in WRIT	1030.09	954.36
(d) Income tax liability that may arise in respect of which the Group is in appeal	3519.78	3422.21
(e) Guarantees or letter of credit or letter of comfort given to third parties	56.00	56.00
(f) Corporate guarantees given for financial obligations of joint venture companies	209.10	211.67
(g) Corporate and bank guarantees for performance obligations of joint venture companies	19.59	19.41
(h) Share in contingent liabilities of joint operations for which the Group is contingently liable	141.15	153.79
(i) Contingent liabilities in respect of liabilities of other joint operators of joint operations	6899.36	5055.57
(j) Share of joint ventures' contingent liabilities in respect of a legal claim lodged against the entity	13.83	13.50
(k) Indemnities for performance given on behalf of third parties	8.17	9.65

* ₹ 16.76 crore pertains to L&T Metro Rail (Hyderabad) Limited, classified as held for sale [Note 45(a)]

Notes:

(i) The Group expects reimbursements of ₹ 1.91 crore (pertains to L&T Metro Rail (Hyderabad) Limited, classified as held for sale) (previous year:₹ 1.91 crore) in respect of the above contingent liabilities except in respect of matters at (k)

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) to (d) above pending resolution of the abitration / appellate proceedings. Further, the liability mentioned in (a) to (d) above includes interest in cases where the company has determined that the possibility of such levy is remote.

(iii) In respect of matters at (e), the cash flows, if any, could occur any time during the subsistence of the underlying agreement.

(iv) In respect of matters at (f), the cash outflows, if any, could generally occur up to two years, being the period over which the validity of the guarantees extends except in a few cases where the cash outflows, if any, could occur any time during the subsistence of the borrowing to which the guarantees relate.

(v) In respect of matters at (g), the cash outflows, if any, could generally occur up to five years, being the period over which the validity of the guarantees extends.

(vi) In respect of matters at (h) and (i), the cash outflows, if any, could generally occur upto completion of projects undertaken by the respective joint operations.

(vii) In respect of matters at (j), the cash outflows, in any, could generally occur any time up to settlement of claims or during subsistence of the underlying agreements.

(viii) In respect of matters at (k), the cash outflows, if any, is fully reimbursable by the third parties under an agreement entered in to with them.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [33]

Commitments

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
(a) Estimated amount of contracts remaining to be executed on capital account (net of advances):		
(i) Property, plant and equipment	1777.49	1530.73
(ii) Investment property *	266.60	445.31
(iii) Intangible assets *	98.85	98.92
(b) Other funding commitments:		
(i) Undrawn/undisbursed commitments to other companies (in Financial Services segment)	2516.70	2035.76
(ii) Purchase of additional stake in associate company	–	327.75
(iii) Share of joint ventures' capital commitments	19.16	1.30

* Includes Investment property: ₹ 7.30 crore and Intangible assets: ₹ 3.58 crore respectively pertaining to L&T Metro Rail (Hyderabad) Limited, classified as held for sale [Note 45(a)]

NOTE [34]

Revenue from operations

₹ crore

Particulars	2025-26		2024-25	
Sales & service:				
Construction and project related activity	196921.28		174161.52	
Manufacturing and trading activity	5871.58		5292.70	
Engineering service fees	12123.27		12686.28	
Software development products and services	41885.05		37617.79	
Income from financing activity/annuity based projects	18196.34		16137.89	
Property development activity	2469.67		2410.45	
Fare collection and related activity	695.18		622.99	
Servicing fees	2924.52		1956.96	
Commission	152.41		144.36	
Fees for operation and maintenance of power plant	2985.89		3177.71	
		284225.19		254208.65
Other operational income:				
Lease rentals	197.84		187.42	
Property maintenance recoveries	80.32		76.67	
Gain on sale of subsidiary/business undertaking	–		187.44	
Premium earned (net) on related forward exchange contracts	216.98		45.09	
Net gain on sale of investment property	67.07		142.39	
Miscellaneous income	1086.96		886.79	
		1649.17		1525.80
		285874.36		255734.45

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [35]

Other income

₹ crore

Particulars	2025-26		2024-25	
Interest income on: [Note 46(a)]				
Loans and advances to joint ventures and associates	7.94		9.89	
Investments	1830.49		1510.65	
Others	1323.20		950.77	
		3161.63		2471.31
Dividend income on:				
Trade investments	38.35		19.55	
Current investments	227.54		46.16	
Others	25.95		51.34	
		291.84		117.05
Net gain/(loss) on fair valuation of investments		681.58		640.55
Net gain/(loss) on sale of investments		1181.07		492.57
Net gain/(loss) on derivatives at fair value through profit or loss		(47.54)		36.65
Net gain/(loss) on sale of property, plant and equipment		12.01		45.25
Lease rentals		5.00		7.71
Miscellaneous income (net of expenses)		475.09		313.73
		5760.68		4124.82

NOTE [36]

Manufacturing, construction and operating expenses

₹ crore

Particulars	2025-26		2024-25	
Cost of raw materials and components consumed:				
Raw materials and components	33244.05		27851.01	
Less: Scrap sales	212.29		195.99	
		33031.76		27655.02
Construction materials consumed		63388.65		63526.44
Purchase of stock-in-trade		1262.30		1402.14
Stores, spares and loose tools consumed		4171.98		4393.39
Sub-contracting charges		49446.73		40570.92
Changes in inventories of finished goods, stock-in-trade, work-in-progress and property development:				
Closing stock:				
Finished goods	104.99		137.00	
Stock-in-trade	506.15		470.16	
Work-in-progress	8992.60		8964.20	
Cost of built-up space and property development land:				
Work-in-progress	6014.89		4577.08	
Completed property	855.76		362.83	
	16474.39		14511.27	
Carried forward	16474.39	151301.42	14511.27	137547.91

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [36]

Manufacturing, construction and operating expenses (contd.)

₹ crore

Particulars	2025-26		2024-25	
Brought forward	16474.39	151301.42	14511.27	137547.91
Less: Opening stock:				
Finished goods	137.00		82.09	
Stock-in-trade	470.16		228.30	
Work-in-progress	8964.20		9579.05	
Cost of built-up space and property development land:				
Work-in-progress	4577.08		3710.77	
Completed property	362.83		222.13	
	14511.27		13822.34	
	(1963.12)		(688.93)	
Inventorisation of investment property	–		278.14	
		(1963.12)		(410.79)
Other manufacturing, construction and operating expenses:				
Power and fuel	2276.53		2299.81	
Royalty and technical know-how fees	44.12		87.34	
Packing and forwarding	1252.17		847.89	
Rent and hire charges	9792.61		7129.61	
Bank guarantee charges	582.35		356.08	
Engineering, professional, technical and consultancy fees	7018.79		4425.90	
Insurance	756.96		907.46	
Rates and taxes	1229.58		1086.52	
Travelling and conveyance	1995.60		1904.15	
Repairs to plant and equipment	162.06		363.36	
Repairs to buildings	26.05		72.64	
General repairs and maintenance	1101.95		923.38	
Provision/(reversal of provision) for onerous construction contracts	(116.19)		(89.11)	
Other provisions/(reversal of provisions)	92.65		77.60	
Expenses on construction job in realty business	2566.71		1245.33	
Software development expenses	5889.05		4509.58	
Miscellaneous expenses	1831.92		1386.01	
		36502.91		27533.55
Finance cost of financial services business and finance lease activity		6995.34		6302.23
		192836.55		170972.90

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [37]

Employee benefits expense

₹ crore

Particulars	2025-26		2024-25	
Salaries, wages and bonus		46440.95		42045.73
Contribution to and provision for:				
Provident fund and pension fund	1178.70		1032.05	
Superannuation/employee pension and social security schemes	1475.09		1312.85	
Gratuity funds [Note 52(b)(ii)]	535.46		308.23	
		3189.25		2653.13
Expenses on employee stock option scheme		115.31		222.60
Employee medical and other insurance premium expenses		483.28		439.53
Staff welfare expenses		2069.71		1534.64
Recoveries on account of deputation charges		(111.28)		(126.95)
		52187.22		46768.68

NOTE [38]

Sales, administration and other expenses

₹ crore

Particulars	2025-26		2024-25	
Power and fuel		229.45		234.61
Packing and forwarding		110.44		89.68
Insurance		141.70		145.22
Rent and hire charges		292.81		308.92
Rates and taxes		478.22		557.74
Travelling and conveyance		931.33		943.60
Repairs to buildings		162.52		168.00
General repairs and maintenance		785.87		784.89
Professional fees		1655.17		1479.62
Directors' fees		4.63		5.84
Telephone, postage and telegrams		227.51		215.51
Advertising and publicity		392.87		378.27
Stationery and printing		91.37		84.96
Commission:				
Distributors and agents	59.03		69.98	
Others	1.87		3.47	
		60.90		73.45
Bank charges		211.78		288.18
Corporate social responsibility expenses		366.64		322.62
Collection cost (Financial Services business)		518.03		557.47
Miscellaneous expenses		1580.52		1623.91
Bad debts and advances written off (net of written back)	3460.91		3081.04	
Less: Allowances for expected credit loss written back	2690.86		2759.90	
		770.05		321.14
Allowances for expected credit loss		3266.41		3210.94
Loss on fair valuation/sale of investments towards financing activities (net)		23.54		148.52
Loss on fair valuation of loans towards financing activities (net)		(2.63)		(215.72)
Loss on sale of loans towards financing activities		(13.48)		(96.98)
Exchange (gain)/loss [net]		(934.08)		(124.15)
Other provisions		347.88		51.04
Provision/(reversal of provision) on investments in/loans given to group companies		–		(1622.03)
Loss on divestment of equity shares in group companies		–		1622.88
		11699.45		11558.13

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [39]

Finance costs

₹ crore

Particulars	2025-26	2024-25
Interest expenses on borrowings	2614.75	3137.24
Interest on lease liabilities	232.17	193.60
Exchange (gain)/loss [net]	1.90	3.53
	2848.82	3334.37

39(a) Aggregation of expenses disclosed vide Note 36 - Manufacturing, construction and operating expenses, Note 37 - Employee benefits expense, Note 38 - Sales, administration and other expenses and Note 39 - Finance costs

₹ crore

Sr. No.	Nature of expenses	2025-26					2024-25				
		Note 36	Note 37	Note 38	Note 39	Total	Note 36	Note 37	Note 38	Note 39	Total
1	Power and fuel	2276.53	–	229.45	–	2505.98	2299.81	–	234.61	–	2534.42
2	Packing and forwarding	1252.17	–	110.44	–	1362.61	847.89	–	89.68	–	937.57
3	Insurance	756.96	483.28	141.70	–	1381.94	907.46	439.53	145.22	–	1492.21
4	Rent and hire charges	9792.61	–	292.81	–	10085.42	7129.61	–	308.92	–	7438.53
5	Rates and taxes	1229.58	–	478.22	–	1707.80	1086.52	–	557.74	–	1644.26
6	Travelling and conveyance	1995.60	–	931.33	–	2926.93	1904.15	–	943.60	–	2847.75
7	Repairs to plant and equipment	162.06	–	–	–	162.06	363.36	–	–	–	363.36
8	Repairs to buildings	26.05	–	162.52	–	188.57	72.64	–	168.00	–	240.64
9	General repairs and maintenance	1101.95	–	785.87	–	1887.82	923.38	–	784.89	–	1708.27
10	Engineering, professional, technical and consultancy fees	7018.79	–	1655.17	–	8673.96	4425.90	–	1479.62	–	5905.52
11	Finance Costs	6995.34	–	–	2848.82	9844.16	6302.23	–	–	3334.37	9636.60
12	Miscellaneous expenses	1831.92	–	1580.52	–	3412.44	1386.01	–	1623.91	–	3009.92

NOTE [40]

Depreciation, amortisation, impairment and obsolescence [Note 46(a)]

₹ crore

Particulars	2025-26		2024-25	
Depreciation on:				
Property, plant and equipment	2615.07		2516.28	
Investment property	23.00		70.37	
		2638.07		2586.65
Amortisation of:				
Intangible assets	923.43		924.24	
Right-of-use assets	783.22		587.33	
		1706.65		1511.57
Impairment on Investment property		–		1.58
Obsolescence on Property, plant and equipment		20.03		21.38
		4364.75		4121.18

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [41]

The list of subsidiaries, associates, joint ventures and joint operations included in the Consolidated Financial Statements are as under:

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest /voting power(%)	As at 31-3-2025 Proportion of effective ownership interest /voting power(%)
	Indian subsidiaries			
1	Hi-Tech Rock Products and Aggregates Limited	India	100.00	100.00
2	L&T Geostructure Private Limited	India	100.00	100.00
3	LTM Limited (Formerly known as LTIMindtree Limited)	India	68.53	68.58
4	L&T Technology Services Limited	India	73.57	73.66
5	Intelliswift Software (India) Private Limited	India	73.57	73.66
6	L&T Thales Technology Services Private Limited	India	54.44	54.51
7	L&T Network Services Private Limited	India	100.00	100.00
8	L&T Semiconductor Technologies Limited	India	100.00	100.00
9	Siliconch Systems Private Limited[a]	India	–	100.00
10	L&T Finance Limited	India	65.99	66.24
11	L&T Infra Investment Partners Advisory Private Limited	India	65.99	66.24
12	L&T Infra Investment Partners Trustee Private Limited	India	65.99	66.24
13	L&T Financial Consultants Limited	India	65.99	66.24
14	L&T Infra Investment Partners	India	36.29	36.43
15	L&T Metro Rail (Hyderabad) Limited[b]	India	99.99	99.99
16	L&T Himachal Hydropower Limited	India	100.00	100.00
17	L&T Power Development Limited	India	100.00	100.00
18	Nabha Power Limited	India	100.00	100.00
19	Chennai Vision Developers Private Limited	India	100.00	100.00
20	Elevated Avenue Realty LLP	India	100.00	100.00
21	Elante Properties Private Limited	India	100.00	100.00
22	L&T Westend Project LLP	India	100.00	100.00
23	L&T Realty Properties Limited[c]	India	100.00	100.00
24	L&T Realty Developers Limited	India	100.00	100.00
25	Prime Techpark (Chennai) Private Limited	India	100.00	100.00
26	Bangalore Galaxy Techpark Private Limited	India	100.00	100.00
27	Chennai Nova Techpark Private Limited	India	100.00	100.00
28	Business Park (Powai) Private Limited	India	100.00	100.00
29	Millennium Techpark (Chennai) Private Limited	India	100.00	100.00
30	Corporate Park (Powai) Private Limited	India	100.00	100.00
31	LH Residential Housing Private Limited	India	100.00	100.00
32	LH Uttarayan Premium Realty Private Limited	India	100.00	100.00
33	L&T Energy Green Tech Limited	India	100.00	100.00
34	L&T Green Energy Kandla Private Limited[d]	India	100.00	-
35	Panipat Green Hydrogen Private Limited[e]	India	100.00	-
36	L&T Construction Equipment Limited	India	100.00	100.00
37	L&T Valves Limited	India	100.00	100.00
38	SuFin Limited[f]	India	100.00	-
39	L&T Electrolysers Limited	India	100.00	100.00

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [41] (contd.)

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest /voting power(%)	As at 31-3-2025 Proportion of effective ownership interest /voting power(%)
	Indian subsidiaries			
40	L&T Special Steels and Heavy Forgings Private Limited	India	100.00	100.00
41	L&T Offshore Marine Private Limited (Formerly known as L&T Sapura Shipping Private Limited)[g]	India	100.00	–
42	Bhilai Power Supply Company Limited	India	99.90	99.90
43	L&T Aviation Services Private Limited	India	100.00	100.00
44	L&T Capital Company Limited	India	100.00	100.00

[a] Amalgamated into L&T Semiconductor Technologies Limited, a Wholly Owned Subsidiary of Larsen & Tourbo Limited w.e.f. March 24, 2026

[b] One equity share (the Golden Share) is held by the Government of Telangana in pursuance of the Shareholders' Agreement.

[c] The company has acquired entire equity stake in International Green Scapes Limited on April 13, 2026 for a total consideration (including deferred consideration) of ₹ 1123 crore.

[d] Incorporated on April 4, 2025

[e] Incorporated on June 30, 2025

[f] Incorporated on January 2, 2026

[g] Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f. January 21, 2026 due to purchase of balance stake.

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest /voting power(%)	As at 31-3-2025 Proportion of effective ownership interest /voting power(%)
	Foreign subsidiaries			
1	Larsen & Toubro (Oman) LLC	Sultanate of Oman	80.00	80.00
2	Larsen & Toubro Qatar LLC [a]	Qatar	49.00	49.00
3	Larsen & Toubro Saudi Arabia LLC	Kingdom of Saudi Arabia	100.00	100.00
4	Larsen and Toubro T&D SA (Proprietary) Limited	South Africa	72.50	72.50
5	Larsen & Toubro CIS FE LLC	Uzbekistan	100.00	100.00
6	Larsen & Toubro Heavy Engineering LLC[a]	Sultanate of Oman	70.00	70.00
7	L&T Modular Fabrication Yard LLC	Sultanate of Oman	70.00	70.00
8	Larsen Toubro Arabia LLC	Kingdom of Saudi Arabia	75.00	75.00
9	L&T Hydrocarbon Saudi Company	Kingdom of Saudi Arabia	100.00	100.00
10	L&T Energy Offshore Wind B.V[b]	Netherlands	100.00	-
11	Larsen & Toubro Kuwait Construction General Contracting Company WLL	Kuwait	49.00	49.00
12	Larsen & Toubro Electromech LLC	Sultanate of Oman	70.00	70.00
13	LTIMindtree Information Technology Services (Shanghai) Co. Limited	China	68.53	68.58
14	LTIMindtree Financial Services Technologies Inc.	Canada	68.53	68.58
15	LTIMindtree Canada Limited	Canada	68.53	68.58
16	LTIMindtree South Africa (Pty) Limited	South Africa	47.68	47.73
17	LTIMindtree GmBH	Germany	68.53	68.58
18	LTIMindtree Spain, S.L[c]	Spain	-	68.58
19	LTIMindtree Norge AS	Norway	68.53	68.58
20	LTIMindtree S.De. RL. De. C.V	Mexico	68.53	68.58

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [41] (contd.)

Sr. No.	Name of subsidiaries	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest /voting power(%)	As at 31-3-2025 Proportion of effective ownership interest /voting power(%)
	Foreign subsidiaries			
21	LTIMindtree S.A.	Luxembourg	68.53	68.58
22	Syncordis Limited, UK[d]	UK	-	68.58
23	LTIMindtree PSF S.A.	Luxembourg	68.53	68.58
24	LTIMindtree Switzerland AG	Switzerland	68.53	68.58
25	Nielsen+Partner PTE Limited[e]	Singapore	-	68.58
26	LTIMindtree (Thailand) Limited	Thailand	68.53	68.58
27	LTIMindtree UK Limited	UK	68.53	68.58
28	LTIMindtree Middle East FZ-LLC	UAE	68.53	68.58
29	LTIMindtree USA Inc.	USA	68.53	68.58
30	LTIMindtree Consulting Brazil Ltda	Brazil	68.64	68.64
31	LTIM Aramco Digital Solutions for Information Technology Company[f]	Kingdom of Saudi Arabia	34.95	-
32	L&T Technology Services LLC	USA	73.57	73.66
33	Intelliswift Software Inc	USA	73.57	73.66
34	Intelliswift Software (Hungary) Kft	Hungary	73.57	73.66
35	Intelliswift Software (Costa Rica) Limitada	Costa Rica	73.57	73.66
36	Intelliswift Software (Canada) Inc	Canada	73.57	73.66
37	Global Infotech Corporation	USA	73.57	73.66
38	P. Murphy & Associates Inc	USA	73.57	73.66
39	L&T Technology Services Pte. Ltd.	Singapore	73.57	73.66
40	Graphene Solutions SDN. BHD.	Malaysia	73.57	73.66
41	Graphene Solutions Taiwan Limited	Taiwan	73.57	73.66
42	L&T Technology Services (Shanghai) Co. Ltd.	China	73.57	73.66
43	L&T Technology Services (Canada) Ltd.	Canada	73.57	73.66
44	L&T Technology Services Poland sp. z o.o.	Poland	73.57	73.66
45	Larsen & Toubro (East Asia) Sdn.Bhd.	Malaysia	30.00	30.00
46	PT Larsen and Toubro	Indonesia	100.00	100.00
47	Larsen & Toubro International FZE	UAE	100.00	100.00
48	L&T Global Holdings Limited	UAE	100.00	100.00
49	L&T Valves Arabia Manufacturing LLC	Kingdom of Saudi Arabia	100.00	100.00
50	L&T Valves USA LLC	USA	100.00	100.00

[a] Under liquidation

[b] Incorporated on February 09, 2026

[c] Dissolved w.e.f March 31, 2026

[d] Dissolved w.e.f July 16, 2025

[e] Struck off on November 28, 2025

[f] W.e.f. July 16, 2025, the Group acquired control as per Ind AS 110 [Consolidated Financial Statements] and reclassified the entity from Joint Venture to Subsidiary. The entity was incorporated on November 22, 2024

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [41] (contd.)

Sr. No.	Name of associates	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest /voting power(%)	As at 31-3-2025 Proportion of effective ownership interest /voting power(%)
1	Larsen & Toubro Qatar & HBK Contracting Co. WLL[a]	Qatar	50.00	50.00
2	L&T Camp Facilities LLC [a]	UAE	49.00	49.00
3	Gujarat Leather Industries Limited[a]	India	50.00	50.00
4	Magtorq Private Limited	India	42.85	42.85
5	E2E Networks Limited	India	18.45	14.92

[a] Under liquidation

Sr. No.	Name of joint ventures	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest /voting power(%)	As at 31-3-2025 Proportion of effective ownership interest /voting power(%)
1	L&T - MHI Power Boilers Private Limited	India	51.00	51.00
2	L&T - MHI Power Turbine Generators Private Limited	India	51.00	51.00
3	L&T Howden Private Limited	India	50.10	50.10
4	L&T-Sargent & Lundy Limited	India	50.00	50.00
5	L&T MBDA Missile Systems Limited	India	51.00	51.00
6	L&T Offshore Marine Private Limited (Formerly known as L&T Sapura Shipping Private Limited)[a]	India	–	60.00
7	Raykal Aluminium Company Private Limited	India	75.50	75.50
8	Indiran Engineering Projects and Systems Kish PJSC	Iran	50.00	50.00
9	GH4India Private Limited	India	33.33	33.33
10	Hydrocarbon Arabia Limited Company	Kingdom of Saudi Arabia	60.00	60.00
11	LTIM Aramco Digital Solutions for Information Technology[b]	Kingdom of Saudi Arabia	–	34.97

[a] Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f. January 21, 2026 due to purchase of balance stake

[b] W.e.f. July 16, 2025, the Group acquired control as per Ind AS 110 [Consolidated Financial Statements] and reclassified the entity from Joint Venture to Subsidiary. The entity was incorporated on November 22, 2024

Sr. No.	Name of joint operations (with specific ownership interest in the arrangement)	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest (%)	As at 31-3-2025 Proportion of effective ownership interest (%)
1	Desbuild L&T Joint Venture	India	49.00	49.00
2	Larsen and Toubro Limited-Shapoorji Pallonji & Co. Ltd. Joint Venture	India	50.00	50.00
3	Al Balagh Trading & Contracting Co W.L.L- L&T Joint Venture	Qatar	80.00	80.00
4	L&T-AM Tapovan Joint Venture	India	65.00	65.00
5	HCC-L&T Purulia Joint Venture	India	43.00	43.00
6	International Metro Civil Contractors Joint Venture	India	26.00	26.00
7	Metro Tunneling Group	India	26.00	26.00
8	L&T-Hochtief Seabird Joint Venture	India	90.00	90.00

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [41] (contd.)

Sr. No.	Name of joint operations (with specific ownership interest in the arrangement)	Principal place of business	As at 31-3-2026 Proportion of effective ownership interest (%)	As at 31-3-2025 Proportion of effective ownership interest (%)
9	Metro Tunneling Chennai-L&T Shanghai Urban Construction (Group) Corporation Joint Venture	India	75.00	75.00
10	Metro Tunneling Delhi-L&T Shanghai Urban Construction (Group) Corporation Joint Venture	India	60.00	60.00
11	L&T-Shanghai Urban Construction (Group) Corporation Joint Venture CC27 Delhi	India	68.00	68.00
12	Aktor-Larsen & Toubro-Yapi Merkezi-STFA-Al Jaber Engineering Joint Venture	Qatar	22.00	22.00
13	Civil Works Joint Venture	Kingdom of Saudi Arabia	29.00	29.00
14	L&T-Shanghai Urban Construction (Group) Corporation Joint Venture	India	51.00	51.00
15	DAEWOO and L&T Joint Venture[a]	India	100.00	50.00
16	L&T-STEC JV MUMBAI	India	65.00	65.00
17	L&T-ISDPL JV	India	100.00	100.00
18	L&T-IHI Consortium	India	100.00	100.00
19	Larsen and Toubro Limited-Scomi Engineering BHD Consortium-Residual Joint Works Joint Venture	India	60.00	60.00
20	Larsen and Toubro Limited-Scomi Engineering BHD Consortium-O&M Joint Venture	India	50.00	50.00
21	L&T- Inabensa JV	India	100.00	100.00
22	L&T-Delma Mafraq Joint Venture	UAE	100.00	100.00
23	L&T-AL-Sraiya LRDP 6 Joint Venture[b]	Qatar	–	75.00
24	Larsen & Toubro Limited & NCC Limited Joint Venture	India	55.00	55.00
25	Besix - Larsen & Toubro Joint Venture[b]	UAE	–	50.00
26	Larsen & Toubro Ltd - Passavant Energy & Environment JV	India	50.00	50.00
27	Larsen & Toubro Ltd - Passavant Energy & Environment JV_O&M	India	100.00	100.00
28	Larsen and Toubro Shriram EPC JV[b]	Tanzania	–	90.00
29	LTH Milcom Private Limited	India	56.67	56.67
30	L&T - Tecton JV	India	60.00	60.00
31	L&T - Powerchina JV	UAE	55.00	55.00
32	L&T - PCIPL JV	India	99.00	99.00
33	Bauer- L&T Geo Joint Venture	India	50.00	50.00
34	Larsen Toubro Arabia LLC - Subsea Seven Saudi Company Ltd.	Kingdom of Saudi Arabia	50.00	50.00
35	Hafeet Rail SPC[c]	Oman	55.00	–
36	Ras Mohaisen Independent Water Project[d]	Kingdom of Saudi Arabia	70.00	–
37	Riyadh Metro Line 2[e]	Kingdom of Saudi Arabia	29.00	–
38	Dubai HSR JV[f]	UAE	50.00	–

[a] Additional control acquired w.e.f December 15, 2025

[b] Closed on completion of project

[c] Formed on December 10, 2024, operation commenced in Q1 FY 26

[d] Formed on March 12, 2025, operation commenced in Q1 FY 26

[e] Formed on January 1, 2026

[f] Formed on January 30, 2026

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [42]

Disclosure pursuant to Ind AS 112 "Disclosure of interest in other entities": Subsidiaries

(a) Change in the Group's ownership interest in a subsidiary:

(i) On account of acquisition of part stake (from open market/ direct purchase from NCI):

₹ crore

Name of Group company	2025-26				2024-25			
	Acquisition (%)	Payment made	(Gain)/Loss accounted in Non-controlling interest [1]	(Gain)/ Loss accounted in Other Equity	Acquisition (%)	Payment made	(Gain)/Loss accounted in Non-controlling interest [1]	(Gain)/ Loss accounted in Other Equity
L&T Finance Limited	–	–	–	–	0.53%	227.77	134.96	92.81
Larsen & Toubro (Oman) LLC	–	–	–	–	15.00%	26.14	62.74	(36.60)
Total		–	–	–		253.91	197.70	56.21

[1] Represents proportionate share of the net assets of subsidiaries.

(ii) On account of dilution due to exercise of Employee Stock Options (without ceding control):

₹ crore

Name of Group company	2025-26				2024-25			
	Dilution (%)	Proceeds received	(Dr)/Cr to Non-controlling interest [1]	(Dr)/Cr to Other Equity	Dilution (%)	Proceeds received	(Dr)/Cr to Non-controlling interest [1]	(Dr)/Cr to Other Equity
L&T Finance Limited	0.25%	88.74	122.15	(33.41)	0.15%	40.40	63.28	(22.88)
LTM Limited (Formerly known as LTIMindtree Limited)	0.05%	2.98	50.36	(47.38)	0.06%	3.51	49.73	(46.22)
L&T Technology Services Limited	0.09%	0.02	18.47	(18.45)	0.08%	0.03	17.49	(17.46)
Total		91.74	190.98	(99.24)		43.94	130.50	(86.56)

[1] Represents proportionate share of the net assets of subsidiaries.

(b) Disclosure of subsidiaries having material non-controlling interest:

(i) Summarised Statement of Profit and Loss

₹ crore

Particulars	L&T Finance Limited		L&T Technology Services Limited	
	2025-26	2024-25	2025-26	2024-25
Revenue from operations	17283.43	15193.58	9207.15	8505.13
Profit/(loss) for the year	3100.31	2617.81	1206.15	1220.91
Other comprehensive income	10.35	24.47	(450.40)	(32.11)
Total comprehensive income	3110.66	2642.28	755.75	1188.80
Effective % of non-controlling interest	34.01%	33.76%	26.43%	26.34%
Profit/(loss) allocated to non-controlling interest (including consolidation adjustments)	995.47	893.55	321.68	320.94
Dividend to non-controlling interest	232.33	209.33	156.34	138.94

₹ crore

Particulars	LTM Limited (Formerly known as LTIMindtree Limited)	
	2025-26	2024-25
Revenue from operations	40482.15	36682.51
Profit/(loss) for the year	4933.75	4446.45
Other comprehensive income	(1944.98)	(48.68)
Total comprehensive income	2988.77	4397.77
Effective % of non-controlling interest	31.47%	31.42%
Profit/(loss) allocated to non-controlling interest (including consolidation adjustments)	1443.80	1323.46
Dividend to non-controlling interest	624.27	604.32

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [42] (contd.)

(ii) Summarised Balance Sheet

₹ crore

Particulars	L&T Finance Limited		L&T Technology Services Limited	
	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
Current assets (a)	56409.11	52813.12	5587.63	5717.90
Current liabilities (b)	60537.71	55039.37	2368.82	2597.43
Net current assets (c)=(a)-(b)	(4128.60)	(2226.25)	3218.81	3120.47
Non-current assets (d)	85533.40	67219.67	3117.85	3144.44
Non-current liabilities (e)	53571.52	39698.70	732.51	516.72
Net non-current assets (f)=(d)-(e)	31961.88	27520.97	2385.34	2627.72
Assets classified as held-for-sale (g)	–	–	987.08	–
Liabilities classified as held-for-sale (h)	–	–	664.13	–
Net assets (i)=(c)+(f)+(g)-(h)	27833.28	25294.72	5927.10	5748.19
Accumulated non-controlling interest	9470.41	8524.44	1681.08	1620.14

₹ crore

Particulars	LTM Limited (Formerly known as LTIMindtree Limited)	
	As at 31-3-2026	As at 31-3-2025
Current assets (a)	26287.19	19913.87
Current liabilities (b)	9258.67	5537.64
Net current assets (c)=(a)-(b)	17028.52	14376.23
Non-current assets (d)	8904.83	9302.73
Non-current liabilities (e)	3064.80	1845.18
Net non-current assets (f)=(d)-(e)	5840.03	7457.55
Net assets (g)=(c)+(f)	22868.55	21833.78
Accumulated non-controlling interest	7237.97	6977.96

(iii) Summarised statement of cash flows

₹ crore

Particulars	L&T Finance Limited		L&T Technology Services Limited	
	2025-26	2024-25	2025-26	2024-25
Cash flows from operating activities	(14236.69)	(16608.17)	1271.70	1428.40
Cash flows from investing activities	397.57	499.63	(309.09)	(554.30)
Cash flows from financing activities	15433.32	15440.76	(782.41)	(704.70)
Net increase/(decrease) in cash and cash equivalents	1594.20	(667.78)	180.20	169.40

₹ crore

Particulars	LTM Limited (Formerly known as LTIMindtree Limited)	
	2025-26	2024-25
Cash flows from operating activities	4633.30	4039.70
Cash flows from investing activities	(1695.30)	(1688.00)
Cash flows from financing activities	(2951.80)	(2514.80)
Net increase/(decrease) in cash and cash equivalents	(13.80)	(163.10)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [43]

Disclosures pursuant to Ind AS 112 "Disclosure of interest in other entities" : Joint Ventures and Associates

(a) Summarised Balance Sheet of material joint ventures and associates:

₹ crore

Particulars		Material Joint Venture				Material Associate	
		L&T - MHI Power Boilers Private Limited		L&T - MHI Power Turbine Generators Private Limited		E2E Networks Limited #	
		As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
Current assets							
Cash and bank balances		758.70	420.80	192.20	61.73	365.93	1356.94
Other assets		3050.16	1554.01	1012.74	544.40	242.55	191.67
Total current assets	(A)	3808.86	1974.81	1204.94	606.13	608.48	1548.61
Total non-current assets	(B)	465.46	348.75	374.75	410.93	2680.73*	1876.58*
Current liabilities							
Financial liabilities (excluding trade payables)		338.53	170.65	337.02	252.11	475.30	898.77
Other liabilities (including trade payables)		2750.97	666.31	460.81	116.92	30.04	14.72
Total current liabilities	(C)	3089.50	836.96	797.83	369.03	505.34	913.49
Non-current liabilities							
Financial liabilities (excluding trade payables)		1.03	0.63	410.09	272.18	118.02	49.93
Other liabilities (including trade payables)		–	–	112.43	81.74	19.69	24.54
Total non-current liabilities	(D)	1.03	0.63	522.52	353.92	137.71	74.47
Net assets	(A+B-C-D)	1183.79	1485.97	259.34	294.11	2646.16	2437.23

Additional 4.07% stake acquired in April-May'25. Stake subsequently reduced to 18.45% on account of exercise of ESOP and infusion by QIB.

* Including fair value of Goodwill & Other intangible assets attributable to Parent Company

(b) Reconciliation of carrying amounts of material joint ventures and associates:

₹ crore

Particulars	Material Joint Venture				Material Associate	
	L&T - MHI Power Boilers Private Limited		L&T - MHI Power Turbine Generators Private Limited		E2E Networks Limited #	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Opening net assets	1485.97	1520.45	294.11	319.97	1593.53	NA
Net assets on the date of acquisition	–	–	–	–	–	492.98
Infusion during the year	–	–	–	–	–	1079.28
Profit/(loss) after tax	(338.15)	(37.19)	(54.11)	(26.02)	(50.42)*	17.00
Other comprehensive income	35.97	2.71	18.11	(2.31)	0.94	(0.16)
Changes in Other Equity	–	–	1.23	2.47	106.32	3.69
Other adjustments	–	–	–	–	–	0.74
Closing net assets	1183.79	1485.97	259.34	294.11	1650.37	1593.53
Group's share in %	51.00%	51.00%	51.00%	51.00%	18.45%	14.92%
Group's share	603.74	757.85	132.27	150.00	1038.98	1082.83
Acquisition of additional stake	–	–	–	–	208.09	–
Carrying amount	603.74	757.85	132.27	150.00	1247.07	1082.83
Fair value of the investment based on the quoted price on reporting date	NA		NA		779.15	631.61

Additional 4.07% stake acquired in April-May'25. Stake subsequently reduced to 18.45% on account of exercise of ESOP and infusion by QIB.

* Including amortisation of intangible assets arising out of consolidation adjustments attributable to Parent Company

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [43] (contd.)

(c) Summarised Statement of Profit and Loss of material joint ventures and associates:

₹ crore

Particulars	Material Joint Venture				Material Associate	
	L&T - MHI Power Boilers Private Limited		L&T - MHI Power Turbine Generators Private Limited		E2E Networks Limited	
	2025-26	2024-25	2025-26	2024-25	2025-26*	2024-25#
Revenue	1358.40	920.00	601.73	292.45	245.58	44.79
Interest income	38.70	26.46	12.11	5.08	26.52	32.47
Depreciation and amortisation	(28.76)	(30.11)	(43.27)	(46.11)	(204.08)	(25.16)
Finance cost	(0.52)	(0.31)	(32.16)	(33.08)	(12.24)	(3.59)
Tax expense	110.90	11.28	–	–	5.63	7.92
Profit/(loss) after tax	(338.15)	(37.19)	(54.11)	(26.02)	(50.42)	17.00
Other comprehensive income	35.97	2.71	18.11	(2.31)	0.94	(0.16)
Total comprehensive income	(302.18)	(34.48)	(36.00)	(28.33)	(49.48)	16.84

From the date of acquisition

* Including amortisation of intangible assets arising out of consolidation adjustments attributable to Parent Company

(d) Financial information in respect of individually not material joint ventures/associates:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Aggregate carrying amount of investment in individually not material joint venture/associate	274.93	327.74
Aggregate amounts of the Group's share of:		
Profit/(loss) after tax	38.40	15.64
Other comprehensive income	(118.82)	1.99
Total comprehensive income	(80.42)	17.63

(e) Carrying amount of investments in joint ventures/associates:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
Non-material joint ventures	264.98	317.10
Non-material associates	9.95	10.64
Sub-total	274.93	327.74
Material joint ventures	736.01	907.85
Material associates	1247.07	1082.83
Total	2258.01	2318.42

(f) Share in profit/(loss) of joint ventures/associates (net):

₹ crore

Particulars	2025-26	2024-25
Non-material joint ventures	38.68	13.20
Non-material associates	(0.28)	2.44
Sub-total	38.40	15.64
Material joint ventures	(200.06)	(32.24)
Material associates	(43.86)	2.54
Total	(205.52)	(14.06)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [44]

Disclosures pursuant to Ind AS 103 "Business Combinations":

(a) Acquisition of L&T Offshore Marine Private Limited (formerly known as L&T Sapura Shipping Private Limited)

(i) On January 21, 2026, the Parent Company acquired the balance 40% stake in L&T Offshore Marine Private Limited (LTOMPL). Post this transaction, LTOMPL became a wholly owned subsidiary of the Parent Company. It owns and operates a Heavy Lift cum Pipe Lay Vessel (HLPV) 'LTS3000" which is used for installation of offshore platform and laying of pipes and cables under the sea for the Hydrocarbon Upstream Industry. The entity operates in the Energy Projects segment.

(ii) The fair value of assets acquired and liabilities recognised on the date of acquisition are as follows:

Particulars	₹ crore
Assets	
Property, Plant & Equipment (mainly Vessel)	650.55
Inventories	54.68
Trade receivables	15.70
Cash and cash equivalents	34.40
Other assets	44.96
Total Assets	800.29
Liabilities	
Borrowings	387.03
Trade and other payables	38.39
Recognition of contingent liability	71.29
Total Liabilities	496.71
Net Assets acquired	**303.58**

The Parent Company has paid cash consideration of ₹ 122.39 crore. The carrying value of the existing equity accounted 60% stake in the erstwhile joint venture being ₹ 58.23 crore and the corresponding fair value of ₹ 181.19 crore, led to recognition of gain on fair valuation of ₹ 122.96 crore. The same has been accounted for under other income.

(iii) The entity has reported revenue of ₹ 56.56 crore and profit after tax of ₹ 17.24 crore from the date of acquisition till March 31, 2026. Had the entity been acquired from April 1, 2025, it would have reported revenue of ₹ 121.47 crore and loss after tax of ₹ 37.19 crore during 2025-26.

(iv) The acquired trade receivables of ₹ 15.70 crore have been fully collected till March 31, 2026.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [44] (contd.)

(b) Acquisition of gold loan business of Paul Merchants Finance Private Limited

(i) On June 9, 2025, L&T Finance Limited, a Subsidiary of the Company acquired the gold loan business of Paul Merchants Finance Private Limited. This business operates in the Financial Services Segment.

(ii) The fair value of assets acquired and liabilities recognised on the date of acquisition are as follows:

Particulars	₹ crore
Assets	
Loans	1334.83
Branch network	94.91
Non-compete fees	54.69
Property, plant and equipment and Other intangible assets	7.76
Cash and cash equivalents and Bank balances	9.19
Other current assets	5.18
Total Assets	1506.56
Liabilities	
Borrowings	970.52
Trade and other payables	3.42
Provisions	3.08
Total Liabilities	977.02
Net Assets acquired	**529.54**

(iii) Calculation of Goodwill:

Particulars	₹ crore
Cash consideration upfront	711.93
Less: Fair value of net assets acquired	529.54
Goodwill	182.39

(iv) Goodwill is attributable to future growth of business out of synergies from the acquisition and assembled workforce. The Goodwill is not deductible for income tax purposes.

(v) Under the Business Transfer Arrangement, L&T Finance Limited acquired the gold loan undertaking as a slump sale rather than as a separate legal entity. Following the acquisition, these operations were fully integrated into L&T Finance Limited's existing operations. Consequently, the revenue and profit / (loss) of the acquired business are not separately identifiable, as the business now leverages shared resources and unified overhead structures to achieve operational synergies.

(vi) Out of ₹ 1334.83 crore of loan book acquired, ₹ 1261.56 crore have been collected during the year.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [44] (contd.)

(c) Acquisition of Power Module Packaging Division of General Device Solutions (formerly known as Fujitsu General Electronics)

(i) On March 31, 2026, L&T Semiconductor Technologies Limited, a Wholly Owned Subsidiary of Larsen and Toubro Limited has acquired Power Module Packaging Division of General Device Solutions. The entity operates in the IT & Technology Services segment.

(ii) The fair value of assets acquired on the date of acquisition are as follows:

Particulars	₹ crore
Assets	
Property, Plant & Equipment	2.68
Intangible assets	18.00
Inventories and Other current assets	14.90
Assets acquired and cash consideration paid	**35.58**

NOTE [45]

Disclosure pursuant to Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations":

(a) The Group has following non-current assets/disposal group recognised as held for sale as on March 31, 2026.

₹ crore

Assets/disposal Group	Assets	Liabilities	Reportable segment
L&T Metro Rail (Hyderabad) Limited[1] [Note 45(b)]	16225.02	15680.45	Development Projects
Nabha Power Limited[2][Note 45(b)]	8108.90	4621.46	Development Projects
L&T Technology Services Limited [Smart World & Communication business][3][Note 45(b)]	987.08	664.13	IT & Technology Services
Plant & equipment (situated at Chennai, Tamil Nadu)	22.20	–	Infrastructure Projects
Buildings and plant & equipment (situated at Faridabad, Haryana)	126.99	–	Others (Realty)
Total	25470.19	20966.04	

Notes:

[1] The Company has signed a Share Purchase Agreement on April 29, 2026, with Hyderabad Metro Rail Limited, a Government of Telangana Enterprise, to divest its entire equity stake in its subsidiary L&T Metro Rail (Hyderabad) Limited ["LTMRHL"]. The transaction is subject to satisfaction of customary conditions and expected to get completed by June 30, 2026.

[2] On February 16, 2026, L&T Power Development Limited, a wholly owned subsidiary of the Company, has entered into a Securities Purchase Agreement ("SPA"), to divest its entire stake in equity and convertible instruments held in Nabha Power Limited ("NPL"), a wholly owned step-down subsidiary. The transaction is subject to fulfilment of closing conditions as per the SPA and expected to get completed by June 30, 2026.

[3] L&T Technology Services Limited, a subsidiary of the Company, has entered into a Business Transfer Agreement on March 25, 2026 to transfer its Smart World and Communication (SWC) Business unit, by way of a sale on a going concern basis.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [45] (contd.)

(b) The details of assets/disposal group classified as held for sale and liabilities associated thereto are as under:

₹ crore

Particulars	L&T Metro Rail (Hyderabad) Limited [1]	Nabha Power Limited[1]	L&T Technology Services Limited (SWC)[1]
Assets			
Property, plant and equipment including Right of use asset	48.51	48.79	7.50
Investment property including under development	798.75	–	–
Goodwill	208.19	–	–
Other Intangible Assets including under development	14865.39	1.03	–
Loans towards financing activity	–	4923.70	–
Inventories	31.74	395.54	10.47
Investments	92.13	696.63	–
Trade receivables	10.57	400.99	612.60
Cash and bank balances	20.05	668.21	–
Other assets	149.69	974.01	356.51
Group(s) of assets classified as held for sale	16225.02	8108.90	987.08
Liabilities			
Borrowings	13900.21	3875.79	–
Deferred tax liabilities	88.35	250.00	–
Trade payables	57.06	82.05	556.71
Other liabilities	1284.73	57.46	107.42
Provisions	350.10	356.16	–
Liabilities associated with group(s) of assets classified as held for sale	15680.45	4621.46	664.13

[1] The transactions between the Group and the aforesaid businesses classified as held for sale have been treated as transactions between external parties and accordingly, have not been eliminated on consolidation and are presented under the respective line items in the financial statements.

(c) The Group has following non-current assets/disposal group recognised as held for sale as on March 31, 2025

₹ crore

Assets/Disposal Group	Assets	Reportable Segment
Buildings and plant & equipment (situated at Faridabad, Haryana)	157.44	Others (Realty)

(d) The proposed sale are expected to be completed within 1 year from the respective reporting dates.

(e) Considering the above, previous year numbers are not comparable with the current year.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [46]

Disclosure pursuant to Ind AS 108 "Operating Segment":

(a) Information about reportable segments:

₹ crore

Particulars	2025-26			2024-25		
	External	Inter-segment	Total	External	Inter-segment	Total
Revenue						
Infrastructure Projects	133909.95	1434.63	135344.58	129896.83	1417.69	131314.52
Energy Projects	54864.85	23.74	54888.59	40651.52	25.37	40676.89
Hi-Tech Manufacturing	14108.84	379.95	14488.79	9695.14	485.72	10180.86
IT & Technology Services	53497.23	449.30	53946.53	47844.88	608.44	48453.32
Financial Services	17283.43	–	17283.43	15193.95	–	15193.95
Development Projects	5116.81	1.70	5118.51	5387.47	1.60	5389.07
Others	7093.25	884.76	7978.01	7064.66	751.74	7816.40
Total	285874.36	3174.08	289048.44	255734.45	3290.56	259025.01
Inter-segment revenue	–	(3174.08)	(3174.08)	–	(3290.56)	(3290.56)
Total	285874.36	–	285874.36	255734.45	–	255734.45
Segment result [Profit/(loss) before interest and tax]						
Infrastructure Projects			7759.98			6921.45
Energy Projects			3374.38			3178.23
Hi-Tech Manufacturing			2105.13			1459.05
IT & Technology Services			8633.94			7682.15
Financial Services			4032.05			3491.31
Development Projects			538.95			716.00
Others			2085.70			1934.81
Total			28530.13			25383.00
Inter-segment margins on capital jobs			(114.25)			(116.53)
Finance costs			(2848.82)			(3334.37)
Unallocated corporate income net of expenditure			2131.19			1171.91
Profit before exceptional items and tax			27698.25			23104.01
Exceptional items [gain/(loss)]			(1722.44)			474.78
Profit before tax			25975.81			23578.79
Tax expense:						
Current tax			(6752.96)			(6100.82)
Deferred tax			(63.45)			209.42
Profit after tax			19159.40			17687.39
Share in profit/(loss) after tax of joint ventures/associates (net)			(205.52)			(14.06)
Profit for the year			18953.88			17673.33
Non-controlling interest			(2869.89)			(2636.22)
Profit for the year attributable to Owners of the Company			16083.99			15037.11

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [46] (contd.)

(a) Information about reportable segments:

₹ crore

Particulars	Segment assets		Segment liabilities	
	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
Infrastructure Projects	115059.75	97183.24	93245.91	72180.50
Energy Projects	39400.94	29342.12	41934.07	27064.51
Hi-Tech Manufacturing	17455.49	13342.07	13456.22	11092.07
IT & Technology Services	56134.40	49124.05	17319.77	11420.88
Financial Services	140383.98	118627.16	114148.04	94750.56
Development Projects	25008.07	25125.12	6328.60	6858.74
Others	18623.09	16312.18	9650.92	7649.17
Segment total	412065.72	349055.94	296083.53	231016.43
Unallocable	44516.36	35248.15	31968.09	37883.98
Inter-segment	(4032.20)	(4779.99)	(4032.20)	(4779.99)
Consolidated total	452549.88	379524.10	324019.42	264120.42

₹ crore

Particulars	Depreciation, amortisation, impairment & obsolescence included in segment expense		Non-cash expenses other than depreciation included in segment expense	
	2025-26	2024-25	2025-26	2024-25
Infrastructure Projects	1414.44	1440.98	20.32	42.41
Energy Projects	341.73	289.38	6.70	12.67
Hi-Tech manufacturing	250.90	222.37	3.10	8.21
IT & Technology Services	1786.25	1633.72	45.83	98.01
Financial Services	209.70	138.89	25.94	39.53
Development Projects	321.60	315.61	0.55	1.06
Others	136.99	127.16	2.22	4.54
Segment total	4461.61	4168.11	104.66	206.43
Unallocable	97.78	106.70	10.65	16.17
Inter-segment	(194.64)	(153.63)	–	–
Consolidated total	4364.75	4121.18	115.31	222.60

Note: Impairment loss included in segment expense: Energy Projects segment: Nil (previous year: ₹ 1.58 crore).

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [46] (contd.)

(a) Information about reportable segments:

₹ crore

Particulars	Interest income included in segment income		Finance costs included in segment expense		Profit/(loss) of associates and joint ventures accounted applying equity method not included in segment result	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Infrastructure Projects	71.31	153.82	173.13	150.91	(0.60)	1.36
Energy Projects	14.89	11.31	–	–	(162.60)	(20.73)
Hi-Tech manufacturing	1.22	0.02	–	–	1.56	3.91
IT & Technology Services	619.41	410.52	–	–	(43.86)	2.54
Financial Services	565.86	547.06	6714.82	5996.73	–	–
Development Projects	25.13	22.38	343.82	375.07	(0.02)	(1.13)
Others	221.98	174.48	–	–	–	(0.01)
Segment total	1519.80	1319.59	7231.77	6522.71	(205.52)	(14.06)
Unallocable	1954.25	1375.38	(173.13)	(150.91)	–	–
Inter-segment	(312.42)	(223.66)	(63.30)	(69.57)	–	–
Consolidated total	3161.63	2471.31	6995.34	6302.23	(205.52)	(14.06)

₹ crore

Particulars	Additions to non-current assets*		Investment in associates and joint ventures accounted applying equity method included in segment assets	
	2025-26	2024-25	As at 31-3-2026	As at 31-3-2025
Infrastructure Projects	1149.76	1077.15	–	0.60
Energy Projects	1404.15	280.55	902.97	1127.59
Hi-Tech manufacturing	437.04	490.00	107.97	106.81
IT & Technology Services	1573.36	2001.82	1247.07	1083.42
Financial Services	579.22	194.42	–	–
Development Projects	125.91	81.02	–	–
Others	1192.96	838.93	–	–
Segment total	6462.40	4963.89	2258.01	2318.42
Unallocable	454.28	416.59	–	–
Inter-segment	(1000.75)	(132.45)	–	–
Consolidated total	5915.93	5248.03	2258.01	2318.42

*Addition to Non-current assets is towards capital expenditure on Property, plant & equipment, Capital work-in-progress, Investment property including under construction, Goodwill, Other intangible assets including under development and capital advances

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [46] (contd.)

(b) Geographical information

₹ crore

Particulars	Revenue [1]	
	2025-26	2024-25
India (i)	132136.15	128168.58
Foreign countries (ii):		
United States of America	37275.84	33448.58
Kingdom of Saudi Arabia	72734.71	61002.04
United Arab Emirates	11258.34	9469.87
Qatar	7989.22	4160.25
Sultanate of Oman	3195.01	2373.87
United Kingdom	2480.38	2080.87
Uzbekistan	2234.93	64.47
Kuwait	1986.08	1392.57
Germany	1532.22	1336.48
Australia	1518.42	1245.46
Netherland	1022.12	395.55
Bangladesh	439.18	1188.69
Other countries	10071.76	9407.17
Total foreign countries (ii)	153738.21	127565.87
Total (i+ii)	285874.36	255734.45

[1] Geography wise break-up of revenue is based on location of project other than service industries where it is based on location of customer.

₹ crore

Particulars	Non-current assets*	
	As at 31-3-2026	As at 31-3-2025
India	36854.94	50796.87
Foreign countries	4419.62	3088.65
Total	41274.56	53885.52

*Non-current assets excludes financial assets, deferred tax assets and assets classified as held for sale.

(c) One customer group account for 10% or more of the total Group Revenue for the year ended March 31, 2026 and is part of mainly Energy Projects Segment.

(d) The identification of operating segments is consistent with performance assessment and resource allocation by the management.

(e) Segment reporting: basis of identifying operating segments, reportable segments and definition of each reportable segment:

(i) Basis of identifying operating segments:

Operating segments are identified as those components of the Group (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Group's other components); (b) whose operating results are regularly reviewed by the Group's Corporate Executive Management to make decisions about resource allocation and performance assessment; and (c) for which discrete financial information is available.

The Group has seven reportable segments [described under "segment composition"] which are the Group's independent businesses. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements. In arriving at the reportable segment, the seven operating segments have been aggregated and reported as "Infrastructure Projects" as these operating segments have similar economic characteristics in terms of long term average gross margins, nature of the products and services, type of customers, methods used to distribute the products and services and the nature of regulatory environment applicable to them.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [46] (contd.)

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

(iii) Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Group's Corporate Executive Management. The performance of financial services segment and finance lease activities of power development segment are measured based on segment profit (before tax) after deducting the interest expense.

The Segment Composition:

- **Infrastructure Projects segment** comprises engineering and construction of (a) building and factories, (b) transportation infrastructure, (c) heavy civil infrastructure, (d) power transmission & distribution, (e) renewables, (f) water & effluent treatment and (g) minerals and metals.
- **Energy Projects segment** comprises of (a) Hydrocarbon onshore and offshore businesses covering EPC solutions in oil & gas, refineries, petrochemicals & offshore wind energy sectors, from front-end design through detailed engineering, modular fabrication, procurement, project management, construction, installation and commissioning, (b) CarbonLite Solutions business covering BTG scope for power generation plants including associated systems and/or carbon capture utilisation & utility packages and (c) EPC solutions in clean energy space.
- **Hi-Tech Manufacturing segment** comprises design, manufacture/construct, supply and revamp/retrofit of (a) custom designed, engineered critical equipment & systems to the process plant, nuclear energy and green hydrogen sectors, (b) marine and land platforms including related equipment & systems; aerospace products & systems; precision and electronic products & systems for the defence, security, space and industrial sectors and (c) electrolysers.
- **IT & Technology Services segment** comprises (a) information technology and integrated engineering services (including smart infrastructure & communication projects), (b) e-commerce/digital platforms, cloud services & data centres and (c) semiconductor chip design.
- **Financial Services segment** primarily comprises retail finance.
- **Development Projects segment** comprises (a) development, operation and maintenance of Hyderabad metro project, including transit oriented development, (b) toll roads (upto the date of divestment) and (c) power generation & development – (i) thermal power and (ii) green energy.
- **Others segment** includes (a) realty, (b) construction equipment & industrial product design development comprising of (i) manufacture and sale of industrial valves, (ii) manufacture (upto the date of sale), marketing and servicing of construction equipment, mining machinery and parts thereof, (iii) manufacture and sale of components of construction equipment and (iv) manufacture and sale of rubber processing machinery.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [47]

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers":

(a) Disaggregation of revenue into operating segments and geographical areas:

₹ crore

Segment	2025-26				
	Revenue as per Ind AS 115			Other revenue	Total as per Statement of Profit and Loss/Segment report
	Domestic	Foreign	Total		
Infrastructure Projects	73524.88	59983.87	133508.75	401.20	133909.95
Energy Projects	14041.74	40786.55	54828.29	36.56	54864.85
Hi-Tech Manufacturing	11352.23	2727.64	14079.87	28.97	14108.84
IT & Technology Services	4397.47	49099.76	53497.23	–	53497.23
Financial Services	1233.27	–	1233.27	16050.16	17283.43
Development Projects	4091.81	10.69	4102.50	1014.31	5116.81
Others	5864.22	1065.09	6929.31	163.94	7093.25
Total	114505.62	153673.60	268179.22	17695.14	285874.36

₹ crore

Segment	2024-25				
	Revenue as per Ind AS 115			Other revenue	Total as per Statement of Profit and Loss/Segment report
	Domestic	Foreign	Total		
Infrastructure Projects	75739.21	53810.10	129549.31	347.52	129896.83
Energy Projects	13894.49	26663.50	40557.99	93.53	40651.52
Hi-Tech Manufacturing	7620.76	2061.11	9681.87	13.27	9695.14
IT & Technology Services	3726.38	44118.50	47844.88	–	47844.88
Financial Services	1077.71	–	1077.71	14116.24	15193.95
Development Projects	4130.53	11.78	4142.31	1245.16	5387.47
Others	5963.06	881.26	6844.32	220.34	7064.66
Total	112152.14	127546.25	239698.39	16036.06	255734.45

(b) Break up of revenue into over a period of time and at a point in time:

₹ crore

Year	Over a period of time	At a point in time	Total
2025-26	251873.11	16306.11	268179.22
2024-25	214110.40	25587.99	239698.39

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [47] (contd.)

(c) Movement in expected credit loss ("ECL") during the year:

₹ crore

Particulars	Provision on trade receivables		Provision on contract assets	
	2025-26	2024-25	2025-26	2024-25
Provision as at April 1	4966.75	4593.65	2033.65	2024.69
Changes in allowance for ECL:				
Provision/(reversal) of allowance for ECL	550.76	595.70	489.84	11.18
Provision/(reversal) of allowance for ECL over & above matrix	(4.65)	302.39	2.20	(2.45)
Writen off as bad debts	(388.35)	(524.71)	–	–
Translation adjustment	15.72	(0.28)	0.92	0.23
Classified as held for sale	(180.02)	–	(0.52)	–
Addition on account of business combination	1.41	–	–	–
Provision as at March 31	4961.62	4966.75	2526.09	2033.65

(d) Contract balances:

(i) Movement in contract balances during the year:

₹ crore

Particulars	2025-26			2024-25		
	Contract assets (A)	Contract liabilities (B)	Net contract balances (A-B)	Contract assets (A)	Contract liabilities (B)	Net contract balances (A-B)
Balance as at April 1	61626.14	57611.37	4014.77	60634.06	47372.49	13261.57
Balance as at March 31	74227.87	77248.89	(3021.02)	61626.14	57611.37	4014.77
Net increase/(decrease)	12601.73	19637.52	(7035.79)	992.08	10238.88	(9246.80)

Note:

Decrease in net contract balances is primarily due to lower revenue recognition as compared to progress bills raised in both the years.

(ii) Revenue recognised from opening balance of contract liabilities amounts to ₹ 20926.55 crore (previous year: ₹ 16107.88 crore).

(iii) Revenue recognised from the performance obligation satisfied (or partially satisfied) upto previous year (arising out of contract modifications) amounts to ₹ 1339.25 crore (previous year: ₹ 1369.62 crore).

(e) Cost to obtain/fulfil the contract:

(i) Amortisation in Statement of Profit and Loss: ₹ 147.11 crore (previous year: ₹ 22.93 crore).

(ii) Recognised as contract assets as at March 31, 2026: ₹ 477.71 crore (as at March 31, 2025: ₹ 110.48 crore).

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [47] (contd.)

(f) Reconciliation of contracted price with revenue during the year:

₹ crore

Particulars	2025-26		2024-25	
Opening contracted price of orders on hand as at April 1 [1]		1372380.66		1139986.52
Add:				
Fresh orders/change orders received (net)		398631.48		321456.28
Increase due to additional consideration recognised as per contractual terms/(decrease) due to scope reduction (net)		27035.69		11851.40
Addition/(deletion) on account of business combination/divestment/held for sale		(2555.26)		472.65
Increase / (decrease) due to other factors including foreign exchange variation		42047.64		6703.73
Less:				
Orders completed during the year		125538.07		108089.92
Closing contracted price of orders on hand as at March 31 [1]		1712002.14		1372380.66
Total revenue recognised during the year	268179.22		239698.39	
Less: Revenue out of orders completed during the year	39294.06		34159.81	
Revenue out of orders under execution at the end of the year (i)		228885.16		205538.58
Revenue recognised upto previous year (from orders pending completion at the end of the year) (ii)		686004.27		562908.01
Increase/(Decrease) due to Foreign exchange movements (net) (iii)		10237.79		(5005.29)
Balance revenue to be recognised in future viz. Order book (iv)		786874.92		608939.36
Closing contracted price of orders on hand as at March 31[1] (i+ii+iii+iv)		1712002.14		1372380.66

[1] including full value of partially executed contracts

(g) Order book and time for its expected conversion into revenue:

₹ crore

Order book	Total	Time for expected conversion in revenue					
		Upto 1 Year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Beyond 5 years
As at March 31, 2026	786874.92	308765.61	251479.02	137361.99	46626.84	26845.55	15795.91
As at March 31, 2025	608939.36	271918.79	179848.18	93847.88	37962.08	17143.40	8219.03

(h) The Group has undertaken a project for construction, operation and maintenance of the Metro Rail System on Design-Build-Finance-Operate-Transfer (DBFOT) basis as per the service concession agreement (SCA) with the government authorities. The significant terms of the arrangement are as under:

Period of the concession	Initial period of 35 years and extendable by another 25 years at the option of the concessionaire subject to fulfilment of certain conditions under concession agreement. Considered further extension of initial concession period by 7 years in terms of Article 29 of Concession Agreement.
Remuneration	Fare collection rights from the users of the Metro Rail System, license to use land provided by the government for constructing depots and for transit oriented development and earn lease rental income on such development, monetisation of rights over the land and grant of viability gap fund.
Funding from grantor	Viability Gap Funding of ₹ 1458 crore.
Infrastructure return at the end of the concession period	Being DBFOT project, the project assets have to be transferred at the end of concession period.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [47] (contd.)

Renewal and termination options	Further extension of 25 years will be granted at the option of the concessionaire upon satisfaction of Key Performance Indicators laid under the concession agreement. This option is to be exercised by the concessionaire during the 33rd year of the initial concession period. Termination of the concession agreement can either be due to (a) force majeure (b) non political event (c) Indirect political event (d) political event. On occurrence of any of the above events, the obligations, dispute resolution, termination payments etc are as detailed in the concession agreement.
Rights & Obligations	Major obligations of the concessionaire are relating to: (a) project agreements (b) change in ownership (c) issuance of Golden Share to the Government (d) maintenance of aesthetic quality of the Rail System (e) operation and maintenance of the rolling stock and equipment necessary and sufficient for handling users equivalent to 110% of the Average PHPDT etc. Major obligations of the Government are: (a) providing required constructible right of way for construction of rail system and land required for construction of depots and transit oriented development (b) providing reasonable support and assistance in procuring applicable permits required for construction (c) providing reasonable assistance in obtaining access to all necessary infrastructure facilities and utilities (d) obligations relating to competing facilities (e) obligations relating to supply of electricity etc.
Classification of service arrangement	The service arrangement has been classified as a Service Concession Arrangement for a PPP project as per Appendix C to Ind AS 115- Revenue from contracts with customers. Accordingly, construction revenues and expenses are accounted during construction phase and intangible asset is recognised towards rights to charge the users of the system.
Construction revenue recognised	₹ 27.72 crore (previous year: ₹ 4.12 crore) [included in Note 47(a) above]

The above SCA pertains to L&T Metro Rail (Hyderabad) Limited, classified as held for sale [Note 45(a)]

NOTE [48]

(a) Exceptional Items for 2025-26 represents:

Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', The New Labour Codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAI clarification, the Group has assessed and accounted for the estimated incremental impact of ₹ 1722.44 crore (including ₹ 1689.34 crore towards Gratuity plan) as Exceptional Items in the financial statements for the year ended March 31, 2026.

(b) Exceptional Items for 2024-25 represents:

The Parent Company entered into a Joint Venture Termination Agreement with Nuclear Power Corporation of India Limited (NPCIL) on February 18, 2025 for purchase of NPCIL's 26% equity and preference shareholdings in L&T Special Steels and Heavy Forgings Private Limited (LTSSHF) and assignment of NPCIL loan to LTSSHF for a consideration of ₹ 170 crore. Pursuant to this, LTSSHF has become a wholly owned subsidiary of the Parent and accordingly consolidated in the financial statements of the Group with effect from February 18, 2025. The Exceptional Items during the year ended March 31, 2025 of ₹ 474.78 crore represents (i) partial reversal of funded resources impaired in earlier years: ₹ 459.94 crore and (ii) reversal of provision towards constructive obligation: ₹ 14.84 crore.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [49]

Disclosure pursuant to Ind AS 1 "Presentation of Financial Statements":

(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

₹ crore

Sr. No.	Particulars	Note	As at 31-3-2026			As at 31-3-2025		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Inventories	11	5734.11	3796.82	9530.93	5650.00	2020.55	7670.55
2	Trade receivables	13	60397.77	63.49	60461.26	52693.55	1020.13	53713.68
3	Other loans	17	634.46	–	634.46	416.85	–	416.85
4	Other financial assets	18	7372.72	340.57	7713.29	5342.05	77.84	5419.89
5	Other current assets	19	78742.21	12560.97	91303.18	64702.69	10857.14	75559.83

(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

₹ crore

Sr. No.	Particulars	Note	As at 31-3-2026			As at 31-3-2025		
			Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
1	Lease liability		780.64	265.88	1046.52	563.17	21.17	584.34
2	Trade payables:							
	Due to micro enterprises and small enterprises		1799.07	41.28	1840.35	1396.29	17.94	1414.23
	Due to others	28	65440.65	2174.63	67615.28	50279.71	765.40	51045.11
3	Other financial liabilities	29	11056.82	36.06	11092.88	6240.61	32.76	6273.37
4	Other current liabilities	30	68400.60	17460.92	85861.52	54406.69	8920.28	63326.97
5	Provisions	31	4664.93	344.10	5009.03	4450.02	241.65	4691.67

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [50]

Disclosure pursuant to Ind AS 7 "Statement of Cash Flows":

(a) Changes in liabilities arising from financing activities:

₹ crore

Sr. No.	Particulars	Non-current borrowings (Note 22)	Current borrowings (Note 26)	Current maturities of long-term borrowings (Note 27)	Non-current lease liability	Current lease liability	Total
1	Balance as at 1-4-2024	56506.97	27834.27	29698.53	1734.78	547.67	116322.22
2	Additions to lease liability	–	–	–	1063.69	186.41	1250.10
3	Changes from financing cash flows	37101.00	8297.43	(29683.70)	(71.52)	(490.91)	15152.30
4	Effect of changes in foreign exchange rates	4.22	–	57.82	(12.22)	(0.06)	49.76
5	Interest accrued (net of interest paid)	142.94	(265.22)	(129.74)	–	–	(252.02)
6	Other changes (transfer within categories)	(36251.79)	–	36251.79	(417.47)	417.47	–
7	De-recognition/addition on termination/ divestment/business combination	–	(5.18)	–	(32.02)	(76.24)	(113.44)
8	Balance as at 31-3-2025 (8 = 1 to 7)	57503.34	35861.30	36194.70	2265.24	584.34	132408.92
9	Additions to lease liability	–	–	–	847.82	900.37	1748.19
10	Changes from financing cash flows	40236.44	3056.63	(36002.90)	(80.39)	(637.89)	6571.89
11	Effect of changes in foreign exchange rates	745.82	6.96	118.65	19.04	63.05	953.52
12	Interest accrued (net of interest paid)	45.24	(178.91)	(404.15)	–	–	(537.82)
13	Other changes (transfer within categories)	(27022.26)	–	27022.26	(191.89)	191.89	–
14	Addition on account of business combination (net of elimination)	713.27	408.37	–	–	–	1121.64
15	De-recognition on termination	–	–	–	(92.77)	(55.24)	(148.01)
16	Liabilities classified as held for sale (net of elimination)	(8483.26)	(4375.82)	(3762.66)	–	–	(16621.74)
17	Balance as at 31-3-2026 (17 = 9 to 16)	63738.59	34778.53	23165.90	2767.05	1046.52	125496.59

Amounts reported in Statement of Cash Flows under financing activities:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
a	Proceeds from non-current borrowings	40637.03	38199.71
b	Repayment of non-current borrowings	(36403.49)	(30782.41)
c	Proceeds from/(repayment of) other borrowings (net)	3056.63	8297.30
d	Repayment of lease liability	(718.28)	(562.30)
e	Total changes from financing cash flows (e = a to d)	6571.89	15152.30

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [50] (contd.)

(b) Reconciliation of certain line items from consolidated financial statement:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
a	Finance costs as per Statement of Profit & Loss [Note 39]	2848.82	3334.37
	Less : Interest expense on employee benefits and trade payable (forming part of cash flow from operating activities)	223.36	161.02
	Finance costs as per Statement of Cash Flows	2625.46	3173.35
b	Interest income as per Statement of Profit & Loss [Note 35]	3161.63	2471.31
	Less : Interest on income tax refund (forming part of cash flow from operating activities)	144.38	21.44
	Interest income as per Statement of Cash Flows	3017.25	2449.87

(c) Supplier Finance Arrangement:

The Group has entered into certain Supplier Finance Arrangements (SFA) with finance providers during the year. The primary objective of these arrangements is to benefit the suppliers with early payments, efficient payment processing and enable the Group to pay over the period of time to manage its working capital. The Group doesn't provide any collateral or guarantees to the finance provider.

₹ crore

Sr. No.	Particulars	Financial liabilities classified as		
		Trade payables	Other current financial Liabilities	Other non-current financial liabilities
(i)	Outstanding as on March 31, 2026	3305.75	84.19	18.23
(ii)	Out of (i), amount received by suppliers from finance providers	3301.07	84.19	18.23
(iii)	Payment terms for SFA	30 - 180 days	365 - 1098 days	365 - 1098 days
(iv)	Payment terms for comparable trade payable that are not part of the SFA	30 - 180 days	30 - 60 days	30 - 60 days
	Outstanding as on March 31, 2025	5001.24	64.56	40.78

There are no material business combinations or foreign exchange differences that would affect the liabilities under the supplier finance arrangement.

The Group has applied transitional relief and accordingly comparative information, wherever applicable, for the above disclosures is not presented in the first year of adoption of the amendment.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [51]

Disclosure pursuant to Ind AS 12 "Income Taxes":

(a) Major components of tax expense/(income):

₹ crore

Sr. No.	Particulars	2025-26	2024-25
	Consolidated Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current income tax:		
	Current income tax expense	6922.91	6249.57
	Effect of previously unrecognised tax losses and tax offsets used during the year	(118.84)	(265.33)
	Tax expense of earlier years	(51.11)	116.58
		6752.96	6100.82
	(ii) Deferred tax:		
	Tax expense on origination and reversal of temporary differences	132.40	(160.17)
	Effect of previously unrecognised tax losses and tax offsets on which deferred tax benefit is recognised	(68.95)	(49.25)
		63.45	(209.42)
	Income tax expense/(income) [(i)+(ii)]	6816.41	5891.40
(b)	Other comprehensive income section:		
	(i) Items that will not be reclassified to profit or loss:		
	(A) Current tax expense/(income):		
	On remeasurement of net defined benefit plans	(27.07)	(68.28)
		(27.07)	(68.28)
	(B) Deferred tax expense/(income):		
	On remeasurement of net defined benefit plans	(3.47)	(0.96)
		(3.47)	(0.96)
	(ii) Items that will be reclassified to profit or loss:		
	(A) Current tax expense/(income):		
	On gain/(loss) on cash flow hedges other than mark to market	26.82	(46.65)
	On gain/(loss) on fair value of debt securities	0.35	–
	On exchange differences in translating the financial statements of foreign operations	(22.00)	(3.92)
		5.17	(50.57)
	(B) Deferred tax expense/(income):		
	On gain/(loss) on cost of hedging reserve	(11.61)	48.10
	On mark to market gain/(loss) on cash flow hedges	(294.92)	53.03
	On gain/(loss) on fair valuation of debt instruments	(101.09)	55.38
		(407.62)	156.51
	Income tax expense/(income) [(i)+(ii)]	(432.99)	36.70

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [51] (contd.)

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
(a)	Profit before tax (including exceptional items):	25975.81	23578.79
(b)	Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%
(c)	Tax on accounting profit [(c)=(a)*(b)]	6537.59	5934.31
(d)	(i) Tax effect on Corporate Social Responsibility expenses, not tax deductible	93.27	81.84
	(ii) Tax effect on impairment/(reversal) and fair valuation losses/(gains) recognised on which deferred tax asset is not recognised	(6.53)	(5.90)
	(iii) Tax effect of losses of current year on which no deferred tax asset is recognised	274.96	227.28
	(iv) Effect of previously unrecognised tax losses used to reduce tax expense	(194.16)	(314.58)
	(v) Effect of lower tax rate on capital gains	(81.29)	(88.09)
	(vi) Tax expense of earlier years	(51.11)	116.58
	(vii) Tax effect on various other Items	243.68	(60.04)
	Total effect of tax adjustments [(d) = (i) to (vii)]	278.82	(42.91)
(e)	Tax expense recognised during the year [(e)=(c)+(d)]	6816.41	5891.40
(f)	Effective tax rate [(f)=(e)/(a)]	26.24%	24.99%

(c) (i) Unused tax losses for which no deferred tax asset is recognised in Balance Sheet:

Particulars	As at 31-3-2026		As at 31-3-2025	
	₹ crore	Expiry year	₹ crore	Expiry year
Tax losses (Business loss and unabsorbed depreciation)				
- Amount of losses having expiry *	6051.87	FY 2026-27 to FY 2033-34	5688.04	FY 2025-26 to FY 2032-33
- Amount of losses having no expiry *	4170.38	NA	5224.94	NA
Tax losses (Capital loss)	6977.86	FY 2026-27 to FY 2033-34	6870.82	FY 2025-26 to FY 2031-32
Total	17200.11		17783.80	

(ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet:

₹ crore

Sr. No.	Particulars	As at 31-3-2026	As at 31-3-2025
(a)	Towards provision for diminution in value of investments/loans	807.86	790.21
(b)	Other items giving rise to temporary differences	–	1371.25
	Total	807.86	2161.46

* Includes amount of losses having expiry (₹ 4664.57 crore) and amount of losses having no expiry (₹ 2075.85 crore) respectively pertaining to L&T Metro Rail (Hyderabad) Limited, classified as held for sale [Note 45(a)]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [51] (contd.)

(d) Major components of deferred tax liabilities and deferred tax assets:

₹ crore

Particulars	Deferred tax liabilities/ (assets) as at 1-4-2024	Charge/ (credit) to Statement of Profit and Loss	Effect due to acquisition	Charge/ (credit) to Other comprehensive income (OCI)	Debit/(credit) to hedge reserve (other than through OCI)	Recognised through Balance Sheet	Exchange difference	Deferred tax liabilities/ (assets) as at 31-3-2025
Deferred tax liabilities:								
- Difference between book base and tax base of property, plant and equipment, investment property and intangible assets	3073.13	85.68	0.50	–	–	–	(0.48)	3158.83
- Disputed statutory liabilities paid and claimed as deduction for tax purposes but not debited to Statement of Profit and Loss	200.72	60.33	–	–	–	–	–	261.05
- Net gain/(loss) on derivative transactions to be offered for tax purposes in the year of transfer/ settlement	159.52	0.53	–	101.13	(0.03)	–	–	261.15
- Other items giving rise to temporary differences	804.45	76.74	4.51	(0.20)	–	–	8.18	893.68
Deferred tax liabilities	4237.82	223.28	5.01	100.93	(0.03)	–	7.70	4574.71
Offsetting of deferred tax liabilities with deferred tax (assets)	(3704.19)							(4164.70)
Net deferred tax liabilities	533.63							410.01
Deferred tax (assets):								
- Provision on expected credit loss (ECL)	(2673.12)	(87.82)	–	–	–	–	–	(2760.94)
- Unpaid statutory liabilities	(297.26)	(109.45)	–	–	–	–	–	(406.71)
- Unabsorbed depreciation	(2924.79)	(172.82)	–	–	–	–	–	(3097.61)
- Brought forward tax losses	(2.77)	(96.76)	–	–	–	–	–	(99.53)
- Unutilised MAT credit	(212.86)	59.14	–	–	–	0.05	–	(153.67)
- Other items giving rise to temporary differences	(1457.11)	(24.99)	(10.57)	54.62	–	3.89	(4.96)	(1439.12)
Deferred tax (assets)	(7567.91)	(432.70)	(10.57)	54.62	–	3.94	(4.96)	(7957.58)
Offsetting of deferred tax (assets) with deferred tax liabilities	3704.19							4164.70
Net deferred tax (assets)	(3863.72)							(3792.88)
Net deferred tax liability/(assets)	(3330.09)	(209.42)	(5.56)	155.55	(0.03)	3.94	2.74	(3382.87)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [51] (contd.)

₹ crore

Particulars	Deferred tax liabilities/ (assets) as at 31-3-2025	Charge/ (credit) to Statement of Profit and Loss	Effect due to Held for Sale	Charge/ (credit) to Other comprehensive income (OCI)	Debit/(credit) to hedge reserve (other than through OCI)	Recognised through Balance Sheet	Exchange difference	Deferred tax liabilities/ (assets) as at 31-3-2026
Deferred tax liabilities:								
- Difference between book base and tax base of property, plant and equipment, investment property and intangible assets	3158.83	190.91	(250.00)	–	–	–	(4.19)	3095.55
- Disputed statutory liabilities paid and claimed as deduction for tax purposes but not debited to Statement of Profit and Loss	261.05	25.20	–	–	–	–	(0.01)	286.24
- Net gain/(loss) on derivative transactions to be offered for tax purposes in the year of transfer/ settlement	261.15	0.66	–	(300.35)	–	–	0.03	(38.51)
- Other items giving rise to temporary differences	893.68	73.11	(88.35)	(11.16)	–	–	1.12	868.40
Deferred tax liabilities	4574.71	289.88	(338.35)	(311.51)	–	–	(3.05)	4211.68
Offsetting of deferred tax liabilities with deferred tax (assets)	(4164.70)							(4044.57)
Net deferred tax liabilities	410.01							167.11
Deferred tax (assets):								
- Provision on expected credit loss (ECL)	(2760.94)	(23.31)	–	–	–	–	(2.11)	(2786.36)
- Unpaid statutory liabilities	(406.71)	(33.60)	–	0.01	–	–	(1.30)	(441.60)
- Unabsorbed depreciation	(3097.61)	(150.13)	–	–	–	–	–	(3247.74)
- Brought forward tax losses	(99.53)	19.09	–	–	–	–	(4.24)	(84.68)
- Unutilised MAT credit	(153.67)	133.29	–	–	–	(2.65)	3.41	(19.62)
- Other items giving rise to temporary differences	(1439.12)	(171.77)	–	(99.58)	–	–	(6.86)	(1717.33)
Deferred tax (assets)	(7957.58)	(226.43)	–	(99.57)	–	(2.65)	(11.10)	(8297.33)
Offsetting of deferred tax (assets) with deferred tax liabilities	4164.70							4044.57
Net deferred tax (assets)	(3792.88)							(4252.76)
Net deferred tax liability/(assets)	(3382.87)	63.45	(338.35)	(411.08)	–	(2.65)	(14.15)	(4085.65)

(e) Global minimum tax (Pillar Two)

The Organisation for Economic Co-operation and Development (OECD) has issued the Global Anti-Base Erosion (GloBE) Model Rules for the implementation of a global minimum tax (Pillar Two). The consolidated revenue of the Group falls within the scope of Pillar Two, as it exceeds the revenue threshold prescribed under the OECD framework. Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions in which the Group operates. Based on the assessment performed using the most recent country-by-country reporting data and the financial statements of the constituent entities, most of the jurisdictions in which the Group operates qualify under the transitional CbCR Safe Harbour provision. In respect of the balance jurisdictions the Group does not expect a material financial impact from the application of Pillar Two Rules. Overall, based on the current assessment, the Group does not expect the application of Pillar Two rules to have a material financial impact.

Tax expense includes ₹ 87.18 crore towards current tax expense related to Pillar Two income taxes.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [52]

Disclosure pursuant to Ind AS 19 "Employee Benefits" [Note 1(ii)(p)]:

(a) Defined contribution plans: ₹ 2035.87 crore (previous year: ₹ 1776.86 crore) has been incurred and is included in "Employee benefits expense".

(b) Defined benefit plans:

(i) The amounts recognised in Balance Sheet are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
A) Present value of defined benefit obligation								
– Wholly funded	4018.83	2008.27	–	–	–	–	12795.84	10727.71
– Wholly unfunded	558.07	405.99	474.42	455.16	392.24	402.63	–	–
	4576.90	2414.26	474.42	455.16	392.24	402.63	12795.84	10727.71
Less: Fair value of plan assets	2016.60	1531.52	–	–	–	–	12821.90	11277.55
Add: Amount not recognised as an asset [limit in para 64(b)]	–	0.01	–	–	–	–	26.06	549.84
Amount to be recognised as liability/(asset)	2560.30	882.75	474.42	455.16	392.24	402.63	–	–
B) Amounts reflected in the Balance Sheet:								
Liabilities	2560.30	882.75	474.42	455.16	392.24	402.63	155.26	140.44
Assets	–	–	–	–	–	–	–	–
Net liability/(asset)	2560.30	882.75	474.42	455.16	392.24	402.63	155.26 [1]	140.44 [1]
Net liability/(asset) - Current	2560.30	882.75	22.45	21.58	31.91	31.26	155.26	140.44
Net liability/(asset) - Non-current	–	–	451.97	433.58	360.33	371.37	–	–

[1] Employer's and employee's contribution due towards Provident Fund.

(ii) The amounts recognised in Statement of Profit and Loss are as follows:

₹ crore

	Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
1	Current service cost	540.15	313.31	19.29	16.80	2.64	2.80	662.99 [2]	605.26 [2]
2	Past service cost	1689.34	(4.81)	–	–	–	4.02	–	–
3	Interest cost	179.27	114.60	29.74	27.74	25.93	26.36	914.57	778.74
4	Interest income on plan assets	(106.99)	(95.12)	–	–	–	–	(914.57)	(778.74)
5	Actuarial (gains)/losses - Difference between actual return on plan assets and interest income	7.32	(21.53)	–	–	–	–	368.18	(128.23)
6	Actuarial (gains)/losses - Others	(28.27)	276.73	(6.98)	36.05	(9.04)	16.50	152.26	–
7	Actuarial gains/(losses) not recognised in books	–	–	–	–	–	–	(368.18)	128.23
8	Translation adjustments	(6.82)	(0.36)	–	–	–	–	–	–
	Total (1 to 8)	2274.00	582.82	42.05	80.59	19.53	49.68	815.25	605.26

[2] Employer's contribution to provident fund.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [52] (contd.)

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
I. Amount included in "Employee benefits expense"	535.46	308.23	19.29	16.80	2.64	6.82	662.99	605.26
II. Amount included as part of "Manufacturing, construction and operating expenses"	0.20	0.27	–	–	–	–	–	–
III. Amount included as part of "Finance costs"	69.95	19.12	29.74	27.74	25.93	26.36	–	–
IV. Amount included as part of "Other comprehensive income"	(20.95)	255.20	(6.98)	36.05	(9.04)	16.50	152.26	–
V. Amount included in "Exceptional items" [Note 48(a)]	1689.34	–		–	–	–	–	–
Total (I+II+III+IV+V)	2274.00	582.82	42.05	80.59	19.53	49.68	815.25	605.26
Actual return on plan assets	99.67	116.65	–	–	–	–	546.39	906.97

(iii) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Post-retirement medical benefit plan		Pension plan		Trust-managed provident fund plan	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Opening balance of the present value of defined benefit obligation	2414.26	1873.88	455.16	395.76	402.63	382.26	10727.71	9173.37
Add: Current service cost	540.15	313.31	19.29	16.80	2.64	2.80	662.99 [2]	605.26 [2]
Add: Past service cost	1689.34	(4.81)	–	–	–	4.02	–	–
Add: Interest cost	179.27	114.60	29.74	27.74	25.93	26.36	914.57	778.74
Add: Contribution by plan participants								
- Employee	–	–	–	–	–	–	1118.89	1020.70
Add/(less): Actuarial (gains)/losses arising from changes in -		–		–				
i) Demographic assumptions	(9.40)	213.60	1.54	(3.84)	–	–	–	–
ii) Financial assumptions	45.38	60.12	(10.45)	27.41	(5.01)	13.67	152.26	–
iii) Experience adjustments	(64.25)	3.01	1.93	12.48	(4.03)	2.83	–	–
Less: Benefits paid	(235.23)	(202.94)	(22.53)	(21.19)	(29.92)	(29.31)	(1331.08)	(1388.36)
Add: Liabilities assumed/(transferred)	3.35	30.09	–	–	–	–	550.50	534.15
Add: Business combination/disposal/ classified as held for sale	(20.96)	12.80	(0.26)	–	–	–	–	–
Add: Adjustment for earlier years	–	–	–	–	–	–	–	3.85
Add/(less): Translation adjustments	34.99	0.60	–	–	–	–	–	–
Closing balance of the present value of defined benefit obligation	4576.90	2414.26	474.42	455.16	392.24	402.63	12795.84	10727.71

[2] Employer's contribution to provident fund.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [52] (contd.)

(iv) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ crore

Particulars	Gratuity plan		Trust-managed provident fund plan	
	2025-26	2024-25	2025-26	2024-25
Opening balance of the fair value of the plan assets	1531.52	1375.36	11277.55	9596.45
Add: Interest income on plan assets [3]	106.99	95.12	914.57	778.74
Add/(Less): Actuarial gains/(losses) - Difference between actual return on plan assets and interest income	(7.32)	21.53	(368.18)	128.23
Add: Contribution by the employer	544.55	203.74	654.43	596.14
Add: Contribution by plan participants	–	–	1124.06	1023.13
Add: Assets assumed/(transferred)	–	(1.78)	550.50	534.15
Add/(Less): Business combination/disposal/classified as held for sale (net)	(7.19)	2.07	–	–
Less: Benefits paid	(152.73)	(154.75)	(1331.08)	(1388.36)
Add: Adjustment for earlier years	–	–	0.05	9.07
Less: Translation adjustments	0.78	(9.77)	–	–
Closing balance of the plan assets	2016.60	1531.52	12821.90	11277.55

Notes: The fair value of the plan assets under the trust managed provident fund plan has been determined at amounts based on their value at the time of redemption, assuming a constant rate of return to maturity.

[3] Basis used to determine interest income on plan assets:

The Trust formed by the Parent Company and a few subsidiaries manage the investments of provident funds and gratuity fund. Interest income on plan assets is determined by multiplying the fair value of the plan assets by the discount rate stated in (vii) below both determined at the start of the annual reporting period.

The Group expects to fund ₹ 1935.15 crore (previous year: ₹ 464.27 crore) towards its gratuity plan and ₹ 327.23 crore (previous year: ₹ 280.75 crore) towards its trust-managed provident fund plan during the year 2026-27.

(v) The fair value of major categories of plan assets are as follows:

₹ crore

Particulars	Gratuity plan					
	As at 31-3-2026			As at 31-3-2025		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	–	39.42	39.42	–	3.42	3.42
Equity instruments	45.32	–	45.32	43.05	–	43.05
Debt instruments - Corporate bonds	369.40	–	369.40	266.98	–	266.98
Debt instruments - Central Government bonds	103.34	–	103.34	129.27	–	129.27
Debt instruments - State Government bonds	313.83	–	313.83	216.23	–	216.23
Debt instruments - Public Sector Unit bonds	21.10	–	21.10	18.55	–	18.55
Mutual funds - Equity	37.47	114.29	151.76	38.96	87.97	126.93
Mutual funds - Others	21.84	–	21.84	–	–	–
Special deposit scheme	–	1.48	1.48	–	1.48	1.48
Fixed deposits	–	4.52	4.52	–	5.16	5.16
Insurer managed fund	–	920.81	920.81	–	711.46	711.46
Others	0.04	23.74	23.78	1.02	7.97	8.99
Closing balance of the plan assets	912.34	1104.26	2016.60	714.06	817.46	1531.52

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [52] (contd.)

₹ crore

Particulars	Trust-managed provident fund plan					
	As at 31-3-2026			As at 31-3-2025		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Cash and cash equivalents	–	23.74	23.74	–	13.27	13.27
Equity instruments	429.92	–	429.92	439.25	–	439.25
Debt instruments - Corporate bonds	4386.35	–	4386.35	3866.07	–	3866.07
Debt instruments - Central Government bonds	1103.25	–	1103.25	945.90	–	945.90
Debt instruments - State Government bonds	4638.26	–	4638.26	4233.98	–	4233.98
Debt instruments - Public Sector Unit bonds	112.41	–	112.41	137.49	–	137.49
Mutual funds - Equity	54.83	1281.74	1336.57	213.84	911.76	1125.60
Mutual funds - Debt	4.27	5.84	10.11	–	–	–
Mutual funds - Others	–	7.17	7.17	–	–	–
Special deposit scheme	–	216.09	216.09	–	215.83	215.83
Fixed deposits	–	16.13	16.13	–	9.53	9.53
InvIT instruments	529.70	–	529.70	271.54	–	271.54
Others	3.00	9.20	12.20	12.65	6.44	19.09
Closing balance of the plan assets	11261.99	1559.91	12821.90	10120.72	1156.83	11277.55

(vi) The average duration (in number of years) of the defined benefit obligation at the Balance Sheet date is as follows:

	Plans	As at 31-3-2026	As at 31-3-2025
1.	Gratuity	6.35	5.97
2.	Post-retirement medical benefit plan	12.33	12.50
3.	Pension plan	7.10	7.37

(vii) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted average):

	Plans	As at 31-3-2026	As at 31-3-2025
(A)	Discount rate:		
	(a) Gratuity plan	6.61%	6.60%
	(b) Post-retirement medical benefit plan	6.61%	6.60%
	(c) Pension plan	6.61%	6.60%
(B)	Annual increase in healthcare costs	–	–
(C)	Salary growth rate:		
	(a) Gratuity plan	7.45%	6.97%
	(b) Pension plan	9.00%	9.00%

(D) Attrition rate for various age groups:

(a) For gratuity plan, the entity wise attrition rate varies from 1% to 48% (previous year: 1% to 48%).

(b) For post-retirement medical benefit plan, the entity wise attrition rate varies from 1% to 20% (previous year: 1% to 23%).

(c) For pension plan, the entity wise attrition rate varies from 0% to 2% (previous year: 0% to 2%).

(E) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(F) The interest payment obligation of trust-managed provident fund is expected to be adequately covered by the interest income on long term investments of the fund. Any shortfall in the interest income over the interest obligation is recognised in the Statement of Profit and Loss as actuarial losses.

(G) The obligation of the Group under the post-retirement medical benefit plan is limited to the overall ceiling limits.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [52] (contd.)

(H) A one percentage point change in actuarial assumptions would have the following effects on defined benefit obligation:

₹ crore

Particulars	Effect of 1% increase		Effect of 1% decrease	
	As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
Gratuity				
Impact of change in salary growth rate	267.43	142.79	(242.91)	(130.48)
Impact of change in discount rate	(245.25)	(129.29)	275.67	144.55
Post-retirement medical benefit plan				
Impact of change in health care cost	10.16	10.23	(10.47)	(10.48)
Impact of change in discount rate	(51.85)	(52.56)	64.40	65.50
Pension plan				
Impact of change in discount rate	(25.83)	(27.51)	29.39	31.44

(viii) Characteristics of defined benefit plans and associated risks:

(A) Gratuity plan:

The Parent Company operates gratuity plan through a trust whereby every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable to vested employees at retirement, death while in employment or on termination of employment. The benefit vests after five years of continuous service. The Company's scheme is more favourable as compared to the obligation under The Code on Social Security, 2020.

The defined benefit plans for gratuity of the Parent Company and material domestic subsidiary companies are administered by separate gratuity funds that are legally separate from the Parent Company and the material domestic subsidiary companies. The trustees nominated by the Group are responsible for the administration of the plans. There are no minimum funding requirements of these plans. The funding of these plans is based on gratuity fund's actuarial measurement framework set out in the funding policies of the plan. These actuarial measurements are similar compared to the assumptions set out in (vii) above. An insignificant portion of the gratuity plan of the Group attributable to subsidiary companies is administered by the respective subsidiary companies and is funded through insurer managed funds. A part of the gratuity plan is unfunded and managed within the Group. Further, the unfunded portion also includes amounts payable in respect of the Group's foreign operations which result in gratuity payable to employees engaged as per the local laws of country of operation. Employees do not contribute to any of these plans.

(B) Post-retirement medical care plan:

The post-retirement medical benefit plan provides for reimbursement of health care costs to certain categories of employees post their retirement. The reimbursement is subject to an overall ceiling sanctioned based on cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

(C) Pension plan:

In addition to contribution to State-managed pension plan (EPS scheme), the Group operates a post-retirement pension scheme, which is discretionary in nature for certain cadres of employees. The quantum of pension depends on the cadre of the employee at the time of retirement. The plan is unfunded. Employees do not contribute to the plan.

(D) Trust-managed provident fund plan:

The Parent Company and a few subsidiaries manage provident fund plan through a provident fund trust for its employees which is permitted under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The plan mandates contribution by employer at a fixed percentage of employee's salary. Employees also contribute to the plan at a fixed percentage of their salary as a minimum contribution and additional sums at their discretion. The plan guarantees interest at the rate notified by the provident fund authority. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

Any loss/gain arising out of the investment risk and actuarial risk associated with the plan is also recognised as expense or income in the period in which such loss/gain occurs.

All the above defined benefit plans expose the Group to general actuarial risks such as interest rate risk and market (investment) risk.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [53]

Disclosure pursuant to Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance":

During the year, the Group has recognised the Government Grants as below: ₹ crore

Particulars		2025-26	2024-25
(i)	Income/reduction from underlying expenses recognised towards export incentives, duty drawback and other schemes	394.89	177.35
(ii)	Tax credit for Research & Development in foreign jurisdiction(s)	27.10	7.59
(iii)	Incentives under the Investment Promotion Scheme, 2014 & Apprenticeship (Amendment) Rules, 2019	15.60	11.16

NOTE [54]

Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures":

(a) List of related parties:

(i) Name of associate entities with whom transactions were carried out during the year:

Associate entities:			
1	Magtorq Private Limited	2	L&T Camp Facilities LLC[1]
3	Larsen & Toubro Qatar & HBK Contracting Co. WLL[1]	4	E2E Networks Limited
5	Indian Foundation For Quality Management[2]		

[1] Under liquidation [2] Acquired on September 19, 2024 and ceased to be an associate w.e.f December 16, 2024

(ii) Name of joint venture entities with whom transactions were carried out during the year:

Joint Venture entities:			
1	Hydrocarbon Arabia Limited Company	2	L&T - MHI Power Boilers Private Limited
3	L&T - MHI Power Turbine Generators Private Limited	4	L&T-Sargent & Lundy Limited
5	L&T Howden Private Limited	6	L&T Special Steels and Heavy Forgings Private Limited[1]
7	L&T MBDA Missile Systems Limited	8	Raykal Aluminium Company Private Limited
9	L&T Offshore Marine Private Limited (Formerly known as L&T Sapura Shipping Private Limited) [2]	10	GH4India Private Limited
11	LTIM Aramco Digital Solutions for Information Technology[3]		

[1] Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f February 18, 2025 due to purchase of balance stake
[2] Reclassified as a Wholly Owned Subsidiary of Larsen & Toubro Limited w.e.f. January 21, 2026 on account of purchase of balance stake
[3] W.e.f. July 16, 2025, the Company reclassified from a Joint Venture to a Subsidiary.

(iii) Name of post-employment benefit plans with whom transactions were carried out during the year:

(A) Provident Fund Trusts:			
1	The Larsen & Toubro Officers & Supervisory Staff Provident Fund	2	The Larsen & Toubro Limited Provident Fund of 1952
3	The Larsen & Toubro Limited Provident Fund	4	L&T Kansbahal Officers & Supervisory Provident Fund
5	L&T (Kansbahal) Staff & Workmen Provident Fund	6	L&T Construction Equipment Employees Provident Fund Trust
7	L&T Valves Employees Provident Fund	8	L&T Energy Hydrocarbon Engineering Officers and Supervisors Gratuity Fund

(B) Gratuity Trusts:			
1	Larsen & Toubro Officers & Supervisors Gratuity Fund	2	Larsen & Toubro Gratuity Fund
3	L&T Technology Services Limited Employee Group Gratuity Scheme	4	Nabha Power Limited Employees' Group Gratuity Assurance Scheme
5	LTIMindtree Employees' Group Gratuity Assurance Scheme	6	L&T Valves Workmen Gratuity Trust
7	L&T Semiconductor Technologies Limited Employees Gratuity Fund	8	L&T Energy Hydrocarbon Engineering Officers and Supervisors Gratuity Fund
9	L&T Energy Green Tech Employees Gratuity Trust	10	L&T Electrolysers Employees Gratuity Trust
11	L&T Special Steels & Heavy Forgings Employees' Group Gratuity Assurance Scheme		

(C) Superannuation Trust:	
1	Larsen & Toubro Limited Senior Officers' Superannuation Scheme

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [54] (contd.)

(iv) Name of Key Management Personnel (of the Parent Company) and close members of their family with whom transactions were carried out during the year:

(A) Executive Directors:			
1	Mr. S. N. Subrahmanyan (Chairman & Managing Director)	2	Mr. Subramanian Sarma (Deputy Managing Director and President)
3	Mr. R. Shankar Raman (President, Whole-time Director & Chief Financial Officer)	4	Mr. S. V. Desai (Whole-time Director)
5	Mr. T. Madhava Das (Whole-time Director)	6	Mr. Anil Parab (Whole-time Director)
7	Mr. M.V. Satish (Whole-time Director)[1]		

[1] Ceased w.e.f April 07, 2024 on account of completion of term

(B) Non-executive/Independent Directors:			
1	Mr. Sanjeev Aga	2	Mr. Narayanan Kumar
3	Ms. Preetha Reddy	4	Mr. Pramit Jhaveri
5	Mr. Rajnish Kumar	6	Mr. Jyoti Sagar
7	Mr. Ajay Tyagi	8	Mr. P. R. Ramesh
9	Mr. Amitabh Kant[1]	10	Mr. B. Santhanam[1]
11	Mr. Siddhartha Mohanty [2]	12	Mr. Hemant Bhargava[3]
13	Mr. Adil Zainulbhai[4]		

[1] Appointed w.e.f. October 29, 2025 [2] Appointed w.e.f. May 28, 2024

[3] Ceased w.e.f. May 27, 2024 [4] Ceased w.e.f. May 28, 2024

(C) Company Secretary			
1	Mr. Sivaram Nair[1]	2	Mr. Subramanian Narayan[2]

[1] Ceased w.e.f. May 9, 2025 [2] Appointed w.e.f. May 10, 2025

(D) Close Member of Key Management Personnel's (KMP'S) family:			
1	Ms. Meena Subrahmanyan	2	Ms. Vasanti Narayanan
3	Ms. Shital Mayaba Desai	4	Ms. Sulabha Anil Parab
5	Ms. Toral Sanjay Chinai	6	Ms. Smita Narayan Sarang
7	Mr. Anand V Desai	8	Ms. Kalavathi S Desai
9	Mr. Raghavendra V Desai	10	Ms.Tanya Mallavarapu
11	Mr. Ashwin Shete	12	Mr. Karthik Anand Reddy
13	Mr. S.N. Venkataramanan	14	Ms. Mukeeta Pramit Jhaveri
15	Mr. Harshad Reddy	16	Ms. Harsha
17	Mr. Ajinkya Anil Parab	18	Ms. Shashikala Narayan Sarang

(v) Entity with common Key Managerial Personnel with whom transactions were carried out during the year:

1	LTIMindtree Foundation (Formerly known as Mindtree Foundation)[1]

[1] Ceased w.e.f. October 16, 2024

(b) Disclosure of related party transactions:

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26		2024-25	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(i)	Purchase of goods & services (including commission paid)				
	Joint ventures, including:	1604.57		666.26	
	L&T - MHI Power Boilers Private Limited		1064.94		180.21
	L&T - MHI Power Turbine Generators Private Limited		434.42		9.43
	L&T Special Steels and Heavy Forgings Private Limited		–		447.67
	Associates, including:	44.64		34.16	
	Magtorq Private Limited		41.06		34.16
	Total	1649.21		700.42	

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [54] (contd.)

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26 Amount	2025-26 Amounts for major parties	2024-25 Amount	2024-25 Amounts for major parties
(ii)	Sale of goods/contract revenue & services				
	Joint ventures, including:	12.77		17.88	
	L&T - MHI Power Boilers Private Limited		8.04		10.11
	L&T Special Steels and Heavy Forgings Private Limited		–		3.11
	L&T MBDA Missile Systems Limited		3.20		4.66
	Associates:	13.42		–	
	E2E Networks Limited		13.42		–
	Total	26.19		17.88	
(iii)	Purchase/lease of property, plant and equipment				
	Joint venture:	–		2.45	
	L&T - MHI Power Boilers Private Limited		–		2.45
	Total	–		2.45	
(iv)	Investment as equity/Contribution towards equity				
	Joint ventures:	3.35		5.04	
	L&T - MHI Power Turbine Generators Private Limited		0.62		1.26
	Hydrocarbon Arabia Limited Company		2.73		3.19
	LTIM Aramco Digital Solutions for Information Technology		–		0.59
	Associates, including:	208.09		12.50	
	E2E Networks Limited		208.09		–
	Indian Foundation For Quality Management		–		12.50
	Total	211.44		17.54	
(v)	Inter-corporate borrowing taken from				
	Joint ventures:	702.36		435.55	
	L&T-MHI Power Turbine Generators Private Limited		702.36		435.55
	Total	702.36		435.55	
(vi)	Inter-corporate borrowing repaid to				
	Joint ventures:	659.78		641.87	
	L&T-MHI Power Turbine Generators Private Limited		659.78		477.87
	L&T MBDA Missile Systems Limited		–		164.00
	Total	659.78		641.87	
(vii)	Charges paid for miscellaneous services				
	Joint ventures, including:	6.14		3.72	
	L&T-Sargent & Lundy Limited		2.53		1.88
	L&T - MHI Power Boilers Private Limited		1.80		1.78
	Hydrocarbon Arabia Limited Company		1.77		–
	Total	6.14		3.72	
(viii)	Rent paid, including lease rentals under leasing arrangements				
	Joint ventures, including:	9.45		170.79	
	L&T Offshore Marine Private Limited (Formerly known as L&T Sapura Shipping Private Limited)		0.23		145.15
	L&T - MHI Power Turbine Generators Private Limited		8.90		20.66
	Total	9.45		170.79	

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [54] (contd.)

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26		2024-25	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(ix)	Rent received, overheads recovered and miscellaneous income				
	Joint ventures, including:	65.81		60.68	
	L&T - MHI Power Boilers Private Limited		24.67		23.23
	L&T-Sargent & Lundy Limited		24.01		14.20
	L&T - MHI Power Turbine Generators Private Limited		11.26		10.72
	L&T Special Steels and Heavy Forgings Private Limited		–		6.53
	Total	65.81		60.68	
(x)	Charges recovered for deputation of employees to related parties				
	Joint ventures:	2.80		7.04	
	L&T Special Steels and Heavy Forgings Private Limited		–		1.23
	L&T Offshore Marine Private Limited (Formerly known as L&T Sapura Shipping Private Limited)		–		5.81
	L&T - MHI Power Boilers Private Limited		2.80		–
	Total	2.80		7.04	
(xi)	Dividend received from				
	Joint ventures:	35.06		27.27	
	L&T Howden Private Limited		–		15.03
	L&T-Sargent & Lundy Limited		35.06		12.24
	Associates:	0.41		–	
	Magtorq Private Limited		0.41		–
	Total	35.47		27.27	
(xii)	Dividend Paid				
	Key Management Personnel, including:	7.11		5.52	
	Mr. R. Shankar Raman		1.82		1.42
	Mr. S. N. Subrahmanyan		3.86		3.01
	Mr. Subramanian Sarma		0.71		0.52
	Close member of KMP's family, including:	0.40		0.33	
	Ms. Meena Subrahmanyan		0.35		0.29
	Total	7.51		5.85	
(xiii)	Charges towards guarantee given				
	Joint venture:	0.66		10.20	
	Hydrocarbon Arabia Limited Company		–		9.62
	L&T - MHI Power Turbine Generators Private Limited		0.66		0.58
	Total	0.66		10.20	
(xiv)	Guarantee given on behalf of				
	Joint ventures:	69.36		139.74	
	L&T - MHI Power Turbine Generators Private Limited		69.36		139.74
	Total	69.36		139.74	
(xv)	Interest paid to				
	Joint ventures:	2.78		4.95	
	L&T MBDA Missile Systems Limited		–		0.93
	L&T - MHI Power Turbine Generators Private Limited		2.78		4.02
	Total	2.78		4.95	

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [54] (contd.)

₹ crore

Sr. No.	Nature of transaction/relationship/major parties	2025-26 Amount	2025-26 Amounts for major parties	2024-25 Amount	2024-25 Amounts for major parties
(xvi)	Interest received from				
	Joint ventures:	8.22		9.84	
	L&T Offshore Marine Private Limited (Formerly known as L&T Sapura Shipping Private Limited)		8.22		9.84
	Total	8.22		9.84	
(xvii)	Allowance/(reversal) for expected credit loss				
	Joint ventures, including:	(0.53)		(0.22)	
	L&T - MHI Power Boilers Private Limited		(0.12)		0.03
	L&T - MHI Power Turbine Generators Private Limited		(0.01)		(0.35)
	L&T-Sargent & Lundy Limited		–		(0.05)
	GH4India Private Limited		(0.39)		0.18
	Total	(0.53)		(0.22)	
(xviii)	Amount recognised in Profit or Loss on account of impairment/(reversal of impairment) loss on investment and reversal of provision towards constructive obligation				
	Joint venture:	–		(474.78)	
	L&T Special Steels and Heavy Forgings Private Limited		–		(474.78)
	Associates:	–		12.50	
	Indian Foundation For Quality Management		–		12.50
	Total	–		(462.28)	
(xix)	Donation given				
	Entity with common Key Management Personnel:	–		87.80	
	LTIMindtree Foundation (Formerly known as Mindtree Foundation)		–		87.80
	Total	–		87.80	
(xx)	Contribution to post employment benefit plan				
(A)	Towards Employer's contribution to provident fund trusts, including:	661.15		600.11	
	The Larsen & Toubro Officers & Supervisory Staff Provident Fund		645.99		585.46
	Total	661.15		600.11	
(B)	Towards Employer's contribution to gratuity fund trusts, including:	512.72		183.91	
	Larsen & Toubro Officers & Supervisors Gratuity Fund		269.77		43.38
	LTIMindtree Employees' Group Gratuity Assurance Scheme		180.14		94.37
	L&T Technology Services Limited Employee Group Gratuity Scheme		–		39.49
	Total	512.72		183.91	
(C)	Towards Employer's contribution to superannuation trust:	19.82		20.61	
	Larsen & Toubro Limited Senior Officers' Superannuation Scheme		19.82		20.61
	Total	19.82		20.61	

"Major parties" denote entities accounting for 10% or more of the aggregate for that category of transaction during respective year.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [54] (contd.)

(xxiv) Compensation/benefits to Key Management Personnel (KMP):

₹ crore

Key Management Personnel	2025-26				2024-25			
	Short term employee benefits	Post employment benefits	Other Long term benefit	Total	Short term employee benefits	Post employment benefits	Other long term benefit	Total
Executive Directors:								
(i) Remuneration								
(a) Mr. S. N. Subrahmanyan	79.40	21.36	–	100.76	45.82	12.30	–	58.12
(b) Mr. R. Shankar Raman	40.92	11.00	–	51.92	28.31	7.60	–	35.91
(c) Mr. Subramanian Sarma	42.57	11.45	–	54.02	24.74	6.63	–	31.37
(d) Mr. M. V. Satish	–	–	–	–	0.22	17.05 [1]	13.58 [2]	30.85
(e) Mr. S. V. Desai	26.99	7.24	–	34.23	15.82	4.22	–	20.04
(f) Mr. Anil Parab	19.48	5.21	–	24.69	11.87	3.16	–	15.03
(g) Mr. T. Madhava Das	26.66	7.15	–	33.81	18.98	5.08	–	24.06
Non-executive/Independent Directors:								
(j) Remuneration								
(a) Other Non-executive/ Independent Directors	8.52	–	–	8.52	6.33	–	–	6.33
Company Secretary								
(a) Mr. Sivaram Nair A	0.56	0.07 [3]	0.02 [2]	0.65	1.85	0.02	–	1.87
(b) Mr. Subramanian Narayan	1.19	0.02	–	1.21	–	–	–	–
Total	246.29	63.50	0.02	309.81	153.94	56.06	13.58	223.58

[1] Post retirement benefits include gratuity ₹ 16.99 crore
[2] Represents encashment of past service accumulated leave
[3] Post employment benefits include gratuity ₹ 0.06 crore

(c) Amount due to/from related parties (including commitments):

₹ crore

Sr. No.	Category of balance/relationship/major parties	As at 31-3-2026		As at 31-3-2025	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(i)	Accounts receivable				
	Joint ventures, including:	43.51		25.72	
	L&T - MHI Power Boilers Private Limited		27.50		15.41
	GH4India Private Limited		3.56		3.56
	L&T-Sargent & Lundy Limited		8.18		2.77
	Associate:	4.26		0.23	
	E2E Networks Limited		4.00		–
	Larsen & Toubro Qatar & HBK Contracting Co. WLL		–		0.23
	Total	47.77		25.95	
(ii)	Accounts payable including other payable				
	Joint ventures, including:	1668.25		759.47	
	L&T - MHI Power Boilers Private Limited		1132.30		498.14
	L&T - MHI Power Turbine Generators Private Limited		511.12		195.38
	Associates, including:	12.16		14.14	
	Magtorq Private Limited		12.15		13.78
	Total	1680.41		773.61	

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [54] (contd.)

₹ crore

Sr. No.	Category of balance/relationship/major parties	As at 31-3-2026		As at 31-3-2025	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(iii)	Loans & advances recoverable				
	Joint ventures, including:	1878.72		266.12	
	L&T Offshore Marine Private Limited (Formerly known as L&T Sapura Shipping Private Limited)		–		220.79
	L&T - MHI Power Boilers Private Limited		1499.40		13.39
	L&T - MHI Power Turbine Generators Private Limited		361.61		10.37
	Associates:	19.90		19.31	
	L&T Camp Facilities LLC		–		0.29
	Magtorq Private Limited		19.90		19.01
	Total	1898.62		285.43	
(iv)	Impairment/provision of loans & advances recoverable				
	Joint ventures:	0.89		0.88	
	Raykal Aluminium Company Private Limited		0.89		0.88
	Total	0.89		0.88	
(v)	Unsecured loans taken				
	Joint ventures:	43.86		1.28	
	L&T - MHI Power Turbine Generators Private Limited		43.86		1.28
	Total	43.86		1.28	
(vi)	Advances from customers				
	Joint ventures:	0.46		0.46	
	L&T - MHI Power Boilers Private Limited		0.46		0.46
	Key Management Personnel:	7.46		1.31	
	Mr. Anil Parab		3.91		1.31
	Mr. Rajnish Kumar		2.43		–
	Mr. Amitabh Kant		1.12		–
	Total	7.92		1.77	
(vii)	Due to Key Management Personnel [a]:	228.13		137.43	
	Key Management Personnel, including:				
	Mr. S. N. Subrahmanyan		74.80		41.58
	Mr. R. Shankar Raman		38.19		25.73
	Mr. M. V. Satish		–		0.18
	Mr. Subramanian Sarma		39.99		22.37
	Mr. S. V. Desai		25.34		14.29
	Mr. T. Madhava Das		25.01		17.45
	Mr. Anil Parab		18.07		10.55
	Total	228.13		137.43	
(viii)	Provision towards unspent CSR expenses				
	Entity with common Key Management Personnel:	–		4.40	
	LTIMindtree Foundation (Formerly known as Mindtree Foundation)		–		4.40
	Total	–		4.40	
(ix)	Post employment benefit plans				
(A)	Due to provident fund trusts, including:	171.24		142.22	
	The Larsen & Toubro Officers & Supervisory Staff Provident Fund		165.32		138.03
	Total	171.24		142.22	

[a] includes commission due to other Non-executive directors ₹ 6.73 crore (previous year: ₹ 5.28 crore)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [54] (contd.)

₹ crore

Sr. No.	Category of balance/relationship/major parties	As at 31-3-2026		As at 31-3-2025	
		Amount	Amounts for major parties	Amount	Amounts for major parties
(B)	Due to gratuity trusts, including:	1934.34		470.69	
	Larsen & Toubro Officers & Supervisors Gratuity Fund		1226.46		258.18
	L&T Technology Services Limited Employee Group Gratuity Scheme		61.84		39.28
	LTIMindtree Employees' Group Gratuity Assurance Scheme		562.85		147.26
	Larsen & Toubro Gratuity Fund		60.56		24.91
	Total	1934.34		470.69	
(C)	Due to superannuation fund:	24.20		19.82	
	Larsen & Toubro Limited Senior Officers' Superannuation Scheme		24.20		19.82
	Total	24.20		19.82	
(x)	Revenue commitment given				
	Joint ventures, including:	9044.34		300.40	
	L&T - MHI Power Boilers Private Limited		6958.35		227.76
	L&T - MHI Power Turbine Generators Private Limited		2003.04		25.50
	L&T Howden Private Limited		2.46		33.73
	Associates, including:	170.34		65.74	
	Magtorq Private Limited		170.34		65.74
	Total	9214.68		366.14	
(xi)	Revenue commitment received				
	Joint ventures:	216.23		5.47	
	L&T - MHI Power Boilers Private Limited		216.23		5.47
	Key Management Personnel:	31.67		8.29	
	Mr. Anil Parab		8.29		8.29
	Mr. Rajnish Kumar		11.69		–
	Mr. Amitabh Kant		11.69		–
	Total	247.90		13.76	
(xii)	Provision for expected credit loss				
	Joint ventures:	0.86		0.34	
	GH4India Private Limited		0.57		0.18
	L&T - MHI Power Boilers Private Limited		0.27		0.15
	L&T - MHI Power Turbine Generators Private Limited		0.02		0.01
	Total	0.86		0.34	
(xiii)	Guarantees given on behalf of				
	Joint ventures, including:	228.69		231.08	
	L&T - MHI Power Turbine Generators Private Limited		209.10		211.67
	Total	228.69		231.08	

"Major parties" denote entities accounting for 10% or more of the aggregate for that category of balance during respective year.

Note: 1. The amount of outstanding balances as shown above are unsecured and will be settled/recovered in cash.

2. The interest rate charged on loans given to related parties are as per market rates.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [55]

Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings per Share":

Particulars		2025-26	2024-25
Basic EPS			
Profit after tax (₹ crore)	A	16083.99	15037.11
Weighted average number of equity shares outstanding	B	1,375,483,612	1,374,993,122
Basic EPS (₹)	A/B	116.93	109.36
Diluted EPS			
Profit after tax (₹ crore)	A	16083.99	15037.11
Weighted average number of equity shares outstanding	B	1,375,483,612	1,374,993,122
Add: Weighted average number of potential equity shares on account of employee stock options	C	675,694	1,046,884
Weighted average number of equity shares outstanding for diluted EPS	D=B+C	1,376,159,305	1,376,040,006
Diluted EPS (₹)	A/D	116.88	109.28
Face value per share (₹)		2.00	2.00

NOTE [56]

Disclosure pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets":

(a) Movement in provisions:

₹ crore

Sr. No.	Particulars	Class of provisions					
		Product warranties	Expected tax liability in respect of indirect taxes	Litigation-related obligations	Contractual rectification cost-construction contracts	Onerous Contracts	Total
1	Balance as at 1-4-2025	17.90	384.48	544.12	919.61	677.99	2544.10
2	Provision during the year	6.78	97.36	362.53	631.19	214.36	1312.22
3	Provision used during the year	0.40	(23.33)	(396.10)	(56.92)	(207.94)	(683.89)
4	Unused provision reversed during the year	(7.01)	(16.85)	(1.02)	(437.72)	(92.69)	(555.29)
5	Addition on account of business combination	–	71.29	–	–	–	71.29
6	Classified as Held for Sale	–	–	(352.28)	(348.27)	–	(700.55)
7	Translation adjustments	–	–	–	1.34	8.32	9.66
8	Balance as at 31-3-2026 (1 to 7)	18.07	512.95	157.25	709.23	600.04	1997.54

Breakup of provisions:

₹ crore

Particulars	Note 24	Note 31	Total
Balance as at 1-4-2025	310.56	2233.54	2544.10
Balance as at 31-3-2026	4.17	1993.37	1997.54

(b) Nature of provisions:

(i) Product warranties: The Group gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period.

Provision made as at March 31, 2026 represents the amount of the expected cost of meeting such obligations of rectification/ replacement. The timing of the outflows is expected to be within a period of three years from the date of Balance Sheet.

(ii) Expected tax liability in respect of indirect taxes represents mainly the differential sales tax liability on account of non-collection of declaration forms and liability for goods and services tax, customs duty and excise duty.

(iii) Provision for litigation-related obligations represents liabilities that are expected to materialise in respect of matters in appeal.

(iv) Contractual rectification cost represents the estimated cost the Group is likely to incur during defect liability period as per the contract obligations and in respect of completed construction contracts accounted under Ind AS 115 "Revenue from contracts with customers".

(v) Onerous contracts provision includes provision for foreseeable losses on construction contracts wherever it was probable that total contract costs will exceed total contract price.

(vi) It is not practicable to estimate the timings of cash outflows, if any, in respect of provisions (ii) to (v).

(c) Disclosure in respect of contingent liabilities is given in Note 32.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [57]

Research & Development

The expenditure on research and development activities is as follows:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
(i)	Recognised as expense in the Statement of Profit and Loss	488.79	270.77
(ii)	Capital expenditure on:		
	(a) Tangible assets	2.24	2.40
	(b) Intangible assets [towards new product development]	132.91	15.84
	(c) Other intangible assets	0.19	28.34
(iii)	Expenditure Customer Funded	0.92	1.89

NOTE [58]

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Market risk management

(a) Foreign exchange rate and interest rate risk:

The Group regularly reviews its foreign currency and interest rate related exposures - both hedged and open. The Group primarily follows cash flow hedge accounting for Highly Probable Forecasted Exposures (HPFE), hence, the movement in mark to market (MTM) of the hedge contracts undertaken for such exposures is likely to be offset by contra movements in the underlying exposures values. However, till the point of time that the HPFE becomes an on-balance sheet exposure, the changes in MTM of the hedge contracts will impact the Balance Sheet of the Group. Further, given the effective horizons of the Group's risk management activities which coincide with the duration of the projects under execution, which could extend across 3-4 years and given the business uncertainties associated with the timing and estimation of the project exposures, the recognition of the gains and losses related to these instruments may not always coincide with the timing of gains and losses related to the underlying economic exposures and, therefore, may affect the Group's financial condition and operating results. The Group monitors the potential risk arising out of the market factors like exchange rates, interest rates, price of traded investment products etc. on a regular basis. For on-balance sheet exposures, the Group monitors the risks on net unhedged exposures.

(i) Foreign exchange rate risk:

The Group has both receivable and payable exposure in foreign currency. Accordingly, changes in exchange rates, may adversely affect the Group's revenue, cost and profitability. There is a risk that the Group may also have to adjust local currency product pricing due to competitive pressures when there has been significant volatility in foreign currency exchange rates.

The Group may enter foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with existing assets and liabilities, firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. In addition, the Group has entered, and may enter in the future, into non-designated foreign currency contracts to partially offset the foreign currency exchange gains and losses on its foreign-denominated debt issuances. The Group's practice is to hedge a portion of its material net foreign exchange exposures with tenors in line with the project/business life cycle. The Group may also choose not to hedge certain foreign exchange exposures.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [58] (contd.)

The net exposure to foreign currency risk (based on notional amount) in respect of recognised financial assets, recognised financial liabilities and derivatives for major currencies is as follows:

₹ crore

Particulars	As at 31-3-2026					
	US Dollar including pegged currencies	EURO	British Pound	Canadian Dollar	Japanese Yen	Kuwaiti Dinar
Net exposure to foreign currency risk in respect of recognised financial assets/ (recognised financial liabilities)	10561.69	(2129.23)	412.61	350.91	(212.33)	(63.33)
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to non-financial assets/(non-financial liabilities)	1965.66	66.30	–	–	67.67	967.68
Derivatives including embedded derivatives for hedging receivable/(payable) exposures with respect to firm commitments and highly probable forecast transactions	25329.91	(9992.64)	(1391.78)	(7.22)	(686.65)	295.69
Receivable/(payable) exposures with respect to forward contracts and embedded derivatives not designated as cash flow hedge	(2770.00)	(650.57)	(40.19)	–	0.12	–

₹ crore

Particulars	As at 31-3-2025					
	US Dollar including pegged currencies	EURO	British Pound	Canadian Dollar	Japanese Yen	Kuwaiti Dinar
Net exposure to foreign currency risk in respect of recognised financial assets/ (recognised financial liabilities)	6432.45	(940.79)	359.33	564.80	(87.53)	(86.14)
Derivatives including embedded derivatives for hedging receivable/(payable) exposure with respect to non-financial assets/(non-financial liabilities)	10.43	–	–	–	–	11.59
Derivatives including embedded derivatives for hedging receivable/(payable) exposures with respect to firm commitments and highly probable forecast transactions	28914.40	(11276.84)	114.59	(2.26)	1438.65	1069.94
Receivable/(payable) exposures with respect to forward contracts and embedded derivatives not designated as cash flow hedge	(1970.81)	(44.63)	(73.89)	–	7.17	–

To provide a meaningful assessment of the foreign currency risk associated with the Group's foreign currency derivative positions against off-balance sheet exposures and unhedged portion of on-balance sheet financial assets and liabilities, the Group uses a multi-currency correlated value-at-risk ("VAR") model. The VAR model uses a Monte Carlo simulation to generate thousands of random market price paths for foreign currencies against Indian Rupee taking into account the correlations between them. The VAR is the expected loss in value of the exposure due to overnight movement in spot exchange rates, at 95% confidence interval. The VAR model is not intended to represent actual losses but is used as a risk estimation tool. The model assumes normal market conditions and is a historical best fit model. Because the Group uses foreign currency instruments for hedging purposes, the loss in fair value incurred on those instruments is generally offset by increase in the fair value of the underlying exposures for on-balance sheet exposures. The overnight VAR for the Group at 95% confidence level is ₹ 97.19 crore as at March 31, 2026 and ₹ 102.14 crore as at March 31, 2025.

Actual future gains and losses associated with the Group's investment portfolio and derivative positions may differ materially from the sensitivity analysis performed as at March 31, 2026 due to the inherent limitations associated with predicting the timing and amount of changes in foreign currency exchange rates and the Group's actual exposures and position.

(ii) Interest rate risk:

The Group's exposure to interest rate risk primarily arises from its floating rate borrowings and lending activities. The local currency borrowings comprise a mix of fixed and floating interest rates, with risk predominantly associated with the floating rate component. In the financial services business, a portion of such floating rate borrowings is naturally hedged against corresponding receivables. The remaining unhedged portion is exposed to fluctuations in interest rates. Additionally, a significant share of the Group's foreign currency borrowings is linked to international benchmark rates such as SOFR. The Group manages part of this exposure through the use of derivative instruments.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [58] (contd.)

(a) The exposure of the Group's borrowing (excluding financial services business) to interest rate changes is ₹ 4303.37 crore (as at March 31, 2025 ₹ 4347.75 crore).

A hypothetical 50 basis point shift in respective currency SOFR and other benchmarks, holding all other variables constant, on the unhedged borrowings would result in a corresponding increase in interest cost for the Group on a yearly basis as follows:

₹ crore

Particulars	Increase/(decrease) in Profit after tax		Increase/(decrease) in Equity	
	2025-26	2024-25	As at 31-3-2026	As at 31-3-2025
INR borrowings				
Interest rates - increase by 0.50% in INR interest rate	(15.19)	(14.42)	(15.19)	(14.42)
Interest rates - decrease by 0.50% in INR interest rate	15.19	14.42	15.19	14.42
USD (including pegged currencies) borrowings				
Interest rates - increase by 0.50% in USD interest rate	(0.91)	(1.85)	(0.91)	(1.85)
Interest rates - decrease by 0.50% in USD interest rate	0.91	1.85	0.91	1.85

(b) The exposure of the Group's net loans given/ (borrowings) in financial services business to interest rate changes is ₹ (206.23) crore (as at March 31, 2025 ₹ 6834.11 crore).

A hypothetical 50 basis point shift in benchmark rates, holding all other variables constant, on the unhedged loans given net of borrowings would result in a corresponding net increase/(decrease) in profitability of the Group on a yearly basis as follows:

₹ crore

Particulars	Increase/(decrease) in Profit after tax		Increase/(decrease) in Equity	
	2025-26	2024-25	As at 31-3-2026	As at 31-3-2025
INR loans given (net of INR borrowings)				
Interest rates - increase by 0.50% in INR interest rate	(0.77)	25.57	(0.77)	25.57
Interest rates - decrease by 0.50% in INR interest rate	0.77	(25.57)	0.77	(25.57)

(b) Liquidity risk management:

The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate committed credit lines. Given the need to fund diverse businesses, the Group maintains flexibility by needbased drawing from committed credit lines. Management regularly monitors the position of cash and cash equivalents. The maturity profiles of financial assets/liabilities including debt financing plans and liquidity ratios are considered while reviewing the liquidity position.

The Group's investment policy and strategy are focused on preservation of capital and supporting the Group's liquidity requirements. The Group uses a combination of internal and external tools to execute its investment strategy and achieve its investment objectives. The Group typically invests in money market funds, large debt funds, Government of India securities, equity and equity marketable securities and other highly rated securities under an exposure limit framework. The investment policy focusses on minimising the potential risk of principal loss. To provide a meaningful assessment of the price risk associated with the Group's investment portfolio, the Group performed a sensitivity analysis to determine the impact of change in price of the securities on the value of the investment portfolio assuming a 0.50% movement in the fair market value of debt funds and debt securities, a 1% movement in market value of REITs/InvITs and a 5% movement in the NAV of the equity and equity marketable securities as below:

₹ crore

Particulars	Increase/(decrease) in investment value	
	As at 31-3-2026	As at 31-3-2025
Debt funds and debt securities - increase by 0.50% in fair market value	184.28	142.63
Debt funds and debt securities - decrease by 0.50% in fair market value	(184.28)	(142.63)
REITs/InvITs – increase by 1% in market value	62.65	34.95
REITs/InvITs – decrease by 1% in market value	(62.65)	(34.95)
Equity and equity marketable securities - increase by 5% in NAV	17.03	4.67
Equity and equity marketable securities - decrease by 5% in NAV	(17.03)	(4.67)

The investments in money market funds are for the purpose of liquidity management only and hence not subject to any material price risk.

(c) Credit risk management:

(i) Financial services business:

Financial services business has a risk management framework that monitors and ensures that the business lines operate within the defined risk appetite and risk tolerance levels defined by the management. Risk management function is closely involved in

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [58] (contd.)

management and control of credit risk, portfolio monitoring, market risks including liquidity risk and operational risks. The credit risk function independently evaluates proposals based on well-established sector specific internal frameworks, in order to identify, mitigate and allocate risks as well as to enable risk-based pricing of assets. Regulatory and process risks are identified, mitigated and managed by a separate group. Risk management policies are made under the guidance of Risk Management Committee and are approved by Board of Directors.

(ii) Other than financial services business:

The Group's customer profile include public sector enterprises, state owned companies and large private corporates. Accordingly, the Group's customer credit risk is low. The Group's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases, retentions are substituted with bank/corporate guarantees. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

(iii) Reconciliation of loss allowance provision for financial services business - Loans: ₹ crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Loss allowance as at 1-4-2024	1324.30	422.03	1791.86	3538.19
New assets originated or purchased	712.20	89.11	289.44	1090.75
Amount written off	–	–	(2382.15)	(2382.15)
Transfers to Stage 1	21.29	(9.84)	(11.45)	–
Transfers to Stage 2	(17.48)	23.83	(6.35)	–
Transfers to Stage 3	(50.06)	(113.44)	163.50	–
Impact on year end ECL of exposure transferred between stages during the year	(21.01)	246.27	2142.86	2368.12
Increase/ (Decrease) in provision on existing financial assets (Net of recovery)	(917.38)	(189.12)	28.79	(1077.71)
Loss allowance as at 31-3-2025	1051.86	468.84	2016.50	3537.20
New assets originated or purchased	609.58	77.58	128.73	815.89
Business Combination [Note 44(b)]	1.83	0.25	0.04	2.12
Amount written off	–	–	(2413.41)	(2413.41)
Transfers to Stage 1	26.51	(13.93)	(12.58)	–
Transfers to Stage 2	(11.51)	29.46	(17.95)	–
Transfers to Stage 3	(39.67)	(184.24)	223.91	–
Impact on year end ECL of exposure transferred between stages during the year	(25.98)	183.80	2318.27	2476.09
Increase/ (Decrease) in provision on existing financial assets (Net of recovery)	(731.37)	(46.59)	(181.63)	(959.59)
Loss allowance as at 31-3-2026	881.25	515.17	2061.88	3458.30

(iv) For reconciliation of allowance for expected credit loss ("ECL") on trade receivables (other than financial services business) refer Note 47(c).

(v) Amounts written off (including financial services): ₹ crore

Particulars	2025-26	2024-25
Amount of financial assets written off during the year but still enforceable	2872.19	2512.13

(d) Commodity price risk management:

The Group bids for and executes EPC projects. These projects entail procurement of various equipment and materials which may have direct or indirect linkages to commodity prices like steel (both long and flat steel), copper, aluminium, zinc, lead, nickel, cement etc. Accordingly, the Group is exposed to the price risk on these commodities. To mitigate the risk of commodity prices, the Group relies on contractual provisions like pass through of prices, price variation provisions and further uses hedging instruments where available [Note 59 (g)(iii)]. There is a certain residual risk carried by the Group that cannot be hedged.

The Group is also exposed to contingent risk on account of commodity price movements that may not be fully offset by contractual provisions in the projects that it has bid for but which are not awarded yet. Commodity prices have been volatile and have witnessed substantial two-way movements during the financial year. This may impact the margin on projects where the Group has submitted bids on a firm price basis. However, for projects where the Group is eligible for an adjustment, based on price variation clause, the actual impact will depend on the exact project wins and the relative contractual provisions therein.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59]

Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" and Ind AS 113 "Fair Value Measurement"

(a) Category-wise classification for applicable financial assets and liabilities and fair value hierarchy:

₹ crore

Sr. No.	Particulars	Note	As at 31-3-2026					As at 31-3-2025				
			Carrying value	Fair value				Carrying value	Fair value			
				Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
	Financial assets:											
I.	**Measured at Amortised cost:**											
	(i) Non-Current Investment in government securities, debentures, bonds	6	446.20	446.20	–	–	446.20	2374.03	2374.03	–	–	2374.03
	(ii) Loans (Financial Services) [1]	7	116049.41	–	–	117249.49	117249.49	96794.27	–	4934.91	91859.36	96794.27
	(iii) Other Loans [1]	8	1221.27		[2]			765.81		[2]		
	(iv) Current Investment in government securities, debentures, bonds and CBLO	12	–					1258.02				
	(v) Investment in commercial paper	12	1575.41					589.82				
	(vi) Treasury Bills and other Investments	6,12	3317.16					3834.18				
	(vii) Trade receivables	13	60461.26		[3]			53713.68		[3]		
	(viii) Other recoverable	18	1416.51					1576.93				
	(ix) Unbilled revenue	18	2250.44					1898.23				
	(x) Cash and cash equivalents and bank balances	9,14, 15,18	23291.42					23461.91				
	(xi) Other receivables		1734.38					1844.57				
II.	**Measured at Fair Value through Profit or Loss (FVTPL):**											
	(a) Mandatorily measured:											
	(i) Investment in equity shares	6,12	289.62	124.18	–	165.44	289.62	170.46	17.13	–	153.33	170.46
	(ii) Investment in preference shares	6,12	269.00	–	–	269.00	269.00	168.78	–	–	168.78	168.78
	(iii) Investment in mutual funds and units of fund	6,12	18247.74	18225.88	–	21.86	18247.74	14538.94	14516.71	–	22.23	14538.94
	(iv) Investment in government securities, debentures and bonds	6,12	868.47	732.08	–	136.39	868.47	383.55	237.82	–	145.73	383.55
	(v) Investment in security receipts	6	4807.71	–	–	4807.71	4807.71	5862.44	–	–	5862.44	5862.44
	(vi) Investment in InvITs	6,12	7953.86	7953.86	–	–	7953.86	4328.97	4328.97	–	–	4328.97
	(vii) Derivative instruments not designated as cash flow hedges	9,18	78.56	–	78.56	–	78.56	56.19	–	56.19	–	56.19
	(viii) Embedded derivatives not designated as cash flow hedges	9,18	344.62	–	344.62	–	344.62	229.14	–	229.14	–	229.14
	(b) Designated:											
	(i) Loans (Financial Services)	16	1771.79	–	–	1771.79	1771.79	2130.59	–	–	2130.59	2130.59

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

₹ crore

Sr. No.	Particulars	Note	As at 31-3-2026					As at 31-3-2025				
			Carrying value	Fair value				Carrying value	Fair value			
				Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
III.	**Measured at Fair Value through Other comprehensive income (FVTOCI):**											
	(a) Mandatorily measured:											
	(i) Investment in government securities, debentures and bonds	6,12	27514.12	22422.86	5090.97	0.29	27514.12	18891.67	13294.52	5596.86	0.29	18891.67
	(ii) Investment in preference shares	6	34.99	–	–	34.99	34.99	34.99	–	–	34.99	34.99
	(iii) Treasury bills and other investments	12	743.50	–	743.50	–	743.50	–	–	–	–	–
	(iv) Derivative instruments designated as cash flow hedges	9,18	3176.22	–	3176.22	–	3176.22	1104.08	–	1104.08	–	1104.08
	(v) Embedded derivative designated as cash flow hedges	9,18	545.60	–	545.60	–	545.60	77.22	–	77.22	–	77.22
	(b) Designated:											
	(i) Investment in equity shares	6	51.00	–	–	51.00	51.00	51.00	–	–	51.00	51.00
	Financial Liabilities:											
I.	**Measured at amortised cost:**											
	(i) Non-Current Borrowings (Fixed)	22	29706.63	–	9676.73	19786.98	29463.71	30270.63	–	14397.05	15968.84	30365.89
	(ii) Non-Current Borrowings (Floating)	22	34031.96		[2]			27232.71		[2]		
	(iii) Current Borrowings and Current maturities of long term borrowings	26,27	57944.43					72056.00				
	(iv) Trade payables											
	Due to micro enterprises and small enterprises		1840.35		[3]			1414.23		[3]		
	Due to others	28	67615.28					51045.11				
	(v) Lease liabilities		3813.57					2849.58				
	(vi) Others		7433.30					5766.76				
II.	**Measured at Fair Value through Profit or Loss (FVTPL):**											
	(i) Derivative instruments not designated as cash flow hedges	23,29	193.02	–	193.02	–	193.02	20.05	–	20.05	–	20.05
	(ii) Embedded derivatives not designated as cash flow hedges	23,29	14.01	–	14.01	–	14.01	22.02	–	22.02	–	22.02
	(iii) Contingent consideration		39.11	–	–	39.11	39.11	183.19	–	–	183.19	183.19
III.	**Measured at Fair Value through Other comprehensive income (FVTOCI):**											
	(i) Derivative instruments designated as cash flow hedges	23,29	5321.91	–	5321.91	–	5321.91	476.19	–	476.19	–	476.19
	(ii) Embedded derivatives designated as cash flow hedges	23,29	–	–	–	–	–	56.31	–	56.31	–	56.31
IV.	**Financial guarantee contracts**	23,29	71.39		[3]			1.03		[3]		

Notes:

1. Carrying amount of loans are net of provision for expected credit losses.
2. The carrying amounts of non-current loans and non-current borrowings taken on floating rate of interest are considered to be close to the fair value.
3. The carrying amounts of current investments, trade and other receivables, cash and cash equivalents, current borrowings, trade and other payables are considered to be the same as their fair values due to their short term nature.

Valuation technique and key inputs used to determine fair value:

A. Level 1: Equity shares, bonds, debentures and government securities and InvITs - Quoted price in the active market. Mutual Funds - at published NAV

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

B. Level 2: (a) Loans and Borrowings- Future cash flows discounted using market rates

(b) Derivative Instruments – Present value technique using forward exchange rates as at balance sheet date

(c) Preference share and government securities, bonds and debentures – Future cash flows are discounted using G-sec rates as at balance sheet date

C. Level 3: Discounted cash flow

4. Reclassification of debt instruments from amortised cost to FVTOCI:

The Group's subsidiaries LTM Limited and L&T Technology Services, previously classified certain debt investments i.e. Government Securities/Corporate Bonds and Non-Convertible Debentures,respectively, at Amortised Cost. During the year ended March 31, 2026 , there was a change in the business model for a portfolio from "hold to collect" to "collect and sell" to meet liquidity needs and optimise returns, and therefore reclassified those investments to fair value through other comprehensive income from the reclassification date. The table below summarises the carrying amount and fair value of the financial assets reclassified, as well as the OCI recognised on reclassification.

₹ crore

Particulars	Carrying amount (Amortised Cost) immediately before reclassification	Fair value at reclassification date	Net gain/(loss) recognised in OCI
Government Securities	1296.10	1312.70	16.60
Corporate Bonds	2321.30	2342.40	21.10
Non-Convertible Debentures	421.80	422.90	1.10
Total	3617.40	3655.10	37.70

(b) Items of income, expenses, gains or losses related to financial instruments:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
I.	Net gains/(losses) on financial assets and financial liabilities measured at Fair Value through Profit or Loss (FVTPL) and amortised cost:		
A.	Financial asset or financial liabilities measured at FVTPL:		
	1. Gains/(losses) on fair valuation or sale of investments	1784.25	1116.04
	2. Gains/(losses) on fair valuation or sale of investments and loans (Financial Services)	(7.43)	164.18
	3. Gains/(losses) on fair valuation/settlement of derivative:		
	(a) On forwards contracts not designated as cash flow hedges	(596.92)	(56.55)
	(b) On embedded derivative contracts not designated as cash flow hedges	309.01	191.33
	(c) On futures not designated as cash flow hedges	(47.54)	36.65
	Sub-total (A)	1441.37	1451.65
B.	Financial assets measured at amortised cost:		
	(i) Exchange difference gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade receivables, loans given etc.)	2260.53	362.50
	(ii) (Allowance)/reversal for expected credit loss (ECL) during the year	(2734.87)	(2789.06)
	(iii) (Provision)/reversal for impairment loss (other than ECL) [net]	(73.39)	96.99
	(iv) Gains/(losses) on derecognition:		
	(a) Bad debts written off (net)	(208.29)	(46.11)
	(b) Gains/(losses) on transfer of financial assets (including non-recourse basis)	(584.00)	(292.93)
	Sub-total (B)	(1340.02)	(2668.61)
C.	Financial liabilities measured at amortised cost:		
	(i) Exchange difference gains/(losses) on revaluation or settlement of items denominated in foreign currency (trade payables, borrowing availed etc.)	(1102.05)	(327.41)
	(ii) Unclaimed credit balances written back	82.63	267.42
	Sub-total (C)	(1019.42)	(59.99)
	Total (I = A+B+C)	(918.07)	(1276.94)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

₹ crore

Sr. No.	Particulars	2025-26	2024-25
II.	Net gains/(losses) on financial assets and financial liabilities measured at fair value through Other comprehensive income (FVTOCI):		
A.	Gains recognised in Other comprehensive income:		
	(i) Financial assets measured at FVTOCI:		
	(a) Gains/(losses) on fair valuation or sale of government securities, bonds, debentures etc.	(466.63)	328.49
	(ii) Derivative measured at FVTOCI:		
	(b) Gains/(losses) on fair valuation or settlement of forward contracts designated as cash flow hedges	(454.24)	(82.07)
	(c) Gains/(losses) on fair valuation or settlement of embedded derivative contracts designated as cash flow hedges	545.49	(20.55)
	Sub-total (A)	(375.38)	225.87
	Less:		
B.	Gains reclassified to Profit and Loss from Other comprehensive income		
	(i) Financial assets measured at FVTOCI:		
	(a) On government securities, bonds, debentures etc. upon sale	78.40	17.07
	(ii) Derivative measured at FVTOCI:		
	(b) On forward contracts upon hedged future cash flows affecting the Profit and Loss or related assets or liabilities	350.27	(102.72)
	(c) On embedded derivative contracts upon hedged future cash flows affecting the Profit and Loss or related assets or liabilities	15.88	15.80
	Sub-total (B)	444.55	(69.85)
	Net gains recognised in Other comprehensive income (A-B)	(819.93)	295.72
III.	Interest and other income/expense:		
A.	Dividend income:		
	(i) Dividend income from investments measured at FVTPL	291.84	117.05
	Sub-total (A)	291.84	117.05
B.	Interest income:		
	(i) Financial assets measured at amortised cost	19399.43	17089.86
	(ii) Financial assets measured at fair value through Other comprehensive income	1723.10	1405.91
	(iii) Financial assets measured at fair value through Profit or Loss	86.39	88.40
	Sub-total (B)	21208.92	18584.17
C.	Interest expense:		
	(i) Financial liabilities measured at amortised cost	(9479.14)	(9300.82)
	(ii) Financial liabilities measured at FVTPL	0.94	(21.23)
	Sub-total (C)	(9478.20)	(9322.05)
	Total (III = A+B+C)	12022.56	9379.17

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

(c) Movement of items measured using unobservable inputs (Level 3):

₹ crore

Particulars	Equity shares	Preference shares	Debt instruments	Loans	Other Investments	Total
Balance as at 1-4-2024	114.16	165.24	205.59	4861.56	6796.88	12143.43
Addition during the year	–	53.02	11.22	265.20	709.19	1038.63
Disposal during the year	–	–	(70.14)	(3211.91)	(1469.53)	(4751.58)
Exchange Differences	–	1.66	–	–	–	1.66
Gains/(losses) recognised in Statement of Profit and Loss	90.17	(16.15)	(0.65)	215.74	(151.87)	137.24
Balance as at 31-3-2025	204.33	203.77	146.02	2130.59	5884.67	8569.38
Addition during the year	–	157.91	–	13.00	136.18	307.09
Disposal during the year	–	(73.39)	–	(374.41)	(1147.38)	(1595.18)
Exchange Differences	–	7.49	–	–	–	7.49
Gains/(losses) recognised in Statement of Profit and Loss	12.11	8.21	(9.34)	2.61	(43.90)	(30.31)
Balance as at 31-3-2026	216.44	303.99	136.68	1771.79	4829.57	7258.47

(d) Sensitivity disclosure for level 3 fair value measurements:

Particulars	Fair value as at 31-3-2026 (₹ crore)	Fair value as at 31-3-2025 (₹ crore)	Significant unobservable inputs	Sensitivity
Equity shares	115.13	113.90	Book value	Increase/(decrease) of 5% in the book value would result in impact on profit or loss by ₹ 4.30 crore (previous year: ₹ 4.25 crore crore)
	101.31	90.43	31-3-2026 and 31-3-2025: 1. Net realization per month ₹ 40 and ₹ 38 per sqft respectively. 2. Capitalisation rate 11.75% and 12.00% respectively	Increase/(decrease) of 1% in net realisation would result in impact on profit or loss by ₹ 0.26 crore (previous year: ₹ 1.31 crore) Increase/(decrease) of 0.25% in capitalisation rate would result in impact on profit or loss by ₹ 0.54 crore (previous year: ₹ 0.50 crore)
Preference shares	75.92	66.77	Book value	Increase/(decrease) of 5% in the book value would result in impact on profit or loss by ₹ 3.45 crore (previous year: ₹ 3.11 crore)
	-	53.02	Not applicable	The valuation is based on expected settlement
	228.07	83.98	Expected yield	Increase/(decrease) in the fair value by 5% would result in impact on profit or loss by ₹ 8.53 crore (previous year: ₹ 3.08 crore)
Debt instruments	136.68	146.02	Expected yield	Increase/(decrease) in fair value by 0.25% would result in impact on profit or loss by ₹ 0.22 crore (previous year: ₹ 0.24 crore)
Loans	1771.79	2130.59	Expected yield	Increase/(decrease) in fair value by 0.25% would result in impact on profit or loss by ₹ 3.31 crore (previous year: ₹ 3.99 crore)
Other Investments	4829.57	5884.67	Net Assets Value (NAV)	Increase/(decrease) in the NAV by 5% would result in impact on profit or loss by ₹ 180.70 crore (previous year: ₹ 220.18 crore)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

(e) Movement of financial liabilities measured using unobservable inputs (Level 3):

₹ crore

Particulars	Contingent consideration
Balance as at 1-4-2024	10.22
Addition during the year	181.70
Charge recognised in Statement of Profit and Loss	2.62
Settled during the year	(10.84)
Foreign exchange difference	(0.51)
Balance as at 31-3-2025	183.19
Addition during the year	–
Charge recognised in Statement of Profit and Loss	2.96
Settled during the year	(147.04)
Foreign exchange difference	–
Balance as at 31-3-2026	39.11

Note:

A 1% point change in the unobservable inputs used in fair valuation of Level 3 liabilities does not have a significant impact on the value.

(f) Maturity profile of financial liabilities based on undiscounted cash flows:

₹ crore

Particulars	Note	As at 31-3-2026			As at 31-3-2025		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
A. Non-derivative liabilities:							
Borrowings	22, 26 ,27	62309.76	67871.27	130181.03	76661.17	69003.50	145664.67
Trade payables:							
Due to micro enterprises and small enterprises		1799.07	41.28	1840.35	1396.29	17.94	1414.23
Due to others	28	65440.65	2174.63	67615.28	50279.71	765.40	51045.11
Other financial liabilities	23, 29	7261.28	168.47	7429.75	5788.84	161.12	5949.96
Lease Liability		949.84	4065.53	5015.37	690.22	2707.05	3397.27
Total		137760.60	74321.18	212081.78	134816.23	72655.01	207471.24
B. Derivative liabilities:							
Forward contracts	23, 29	3726.44	1861.41	5587.85	415.64	88.82	504.46
Embedded derivatives	23, 29	14.01	–	14.01	27.50	50.83	78.33
Total		3740.45	1861.41	5601.86	443.14	139.65	582.79

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

(g) Details of outstanding hedge instruments for which hedge accounting is followed:

(i) Outstanding currency exchange rate hedge instruments:

(A) Forward covers taken to hedge exchange rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
(a) Receivable hedges:								
US Dollar	52973.38	92.08	29708.46	23264.92	51036.06	88.93	27240.53	23795.53
EURO	4649.52	109.30	3036.44	1613.08	2491.11	95.38	2033.82	457.29
Malaysian Ringgit	386.56	23.61	386.56	–	389.74	19.48	227.87	161.87
Arab Emirates Dirham	652.15	25.77	631.48	20.67	734.74	23.46	723.77	10.97
British Pound	223.91	123.30	89.14	134.77	208.96	109.98	147.06	61.90
Japanese Yen	3888.94	0.64	460.03	3428.91	3203.80	0.62	1407.35	1796.45
Kuwaiti Dinar	1737.77	313.23	1599.26	138.51	1549.55	279.66	1367.67	181.88
Qatari Riyal	988.87	25.70	988.87	–	1349.16	23.57	1341.84	7.32
Saudi Riyal	277.13	24.74	277.13	–	167.47	23.14	167.47	–
Omani Riyal	–	–	–	–	38.88	223.39	38.88	–
Chinese Yuan	–	–	–	–	7.39	12.00	7.39	–
Indonesian Rupiah	–	–	–	–	52.92	0.01	52.92	–
(b) Payable hedges:								
US Dollar	36007.71	92.15	22288.10	13719.61	29806.87	87.17	21994.65	7812.22
EURO	17305.15	107.83	15703.81	1601.34	16561.34	93.73	12829.06	3732.28
Qatari Riyal	1236.50	25.95	1236.50	–	493.38	23.79	493.38	–
Arab Emirates Dirham	1182.50	25.65	947.88	234.62	918.71	23.60	918.71	–
British Pound	1719.43	127.09	1711.33	8.10	82.10	111.43	73.05	9.05
Japanese Yen	4378.61	0.60	3814.55	564.06	1671.83	0.59	1326.49	345.34
Kuwaiti Dinar	391.70	305.55	391.70	–	218.07	281.22	218.07	–
Swiss Franc	263.36	121.51	254.67	8.69	304.25	100.10	297.55	6.70
Chinese Yuan	–	–	–	–	15.57	12.00	15.57	–
Saudi Riyal	1597.01	25.15	1597.01	–	702.32	22.80	702.32	–
Swedish Krona	0.62	10.06	0.62	–	0.53	8.59	0.53	–
Singapore Dollars	392.16	75.41	392.16	–	–	–	–	–
Indonesian Rupiah	50.38	0.01	–	50.38	–	–	–	–
Canadian Dollar	7.20	67.93	7.20	–	–	–	–	–

(B) Options taken to hedge exchange rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Receivable hedges:								
US Dollar/Indian Rupees	3838.54	[1]	47.27	3791.27	115.02	[1]	–	115.02
EURO/US Dollar	1418.49	[1]	677.08	741.41	922.77	[1]	379.28	543.49
US Dollars/Japanese Yen	259.47	[1]	–	259.47	508.95	[1]	–	508.95

[1] The options contracts include a combination of calls and puts (including cross currency) with different maturities and strike prices.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

(C) Forward covers taken to hedge exchange rate risk and accounted as fair value hedge:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Receivable hedges:								
US Dollar	3919.86	93.22	3919.86	–	2234.22	86.43	2234.22	–
EURO	49.25	109.44	49.25	–	252.88	91.96	252.88	-

(D) Forward covers taken to hedge exchange rate risk and accounted as net investment hedge:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Receivable hedges:								
US Dollar	226.79	94.10	226.79	–	318.13	86.92	318.13	–
Arab Emirates Dirham	3.26	25.60	3.26	–	15.92	23.49	15.92	–

(ii) Outstanding interest rate hedge instruments:

(A) Interest rate swaps taken to hedge interest rate risk and accounted as cash flow hedge:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (%)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (%)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Floating interest rate borrowings - INR	1400.00	6.26	–	1400.00	–	–	–	–

(iii) Outstanding commodity price hedge instruments:

(A) Commodity forward contract:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Copper (Tn)	3576.74	1115055.17	3517.82	58.92	1569.90	800523.94	1561.75	8.15
Aluminium (Tn)	2189.87	292786.38	1685.14	504.73	1644.14	220652.26	1558.84	85.30
Iron Ore (Tn)	57.72	9390.90	29.37	28.35	7.40	7252.07	7.40	–
Coking Coal (Tn)	3.07	10044.35	3.07	–	–	–	–	–
Lead (Tn)	27.94	194733.05	27.94	–	36.55	177848.50	36.55	–
Nickel (Tn)	207.27	1428434.64	207.27	–	89.58	1468458.31	89.58	–

(B) Commodity option contract:

Particulars	As at 31-3-2026				As at 31-3-2025			
	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)	Nominal amount (₹ crore)	Average rate (₹)	Within twelve months (₹ crore)	After twelve months (₹ crore)
Aluminium (Tn)	440.79	[1]	440.79	–	183.97	[1]	183.97	–
Copper (Tn)	1294.79	[1]	1294.79	–	173.52	[1]	173.52	–

[1] The options contracts include a combination of calls and puts with different maturities and strike prices.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

(h) Carrying amounts of hedge instruments for which hedge accounting is followed:

(A) Cash flow hedge:

₹ crore

Particulars	As at 31-3-2026			As at 31-3-2025		
	Currency exposure	Interest rate exposure	Commodity price exposure	Currency exposure	Interest rate exposure	Commodity price exposure
(i) Forward contracts including embedded derivatives						
(a) Current:						
Asset - Other financial assets	1803.97	–	541.97	542.35	–	56.84
Liability - Other financial liabilities	3367.31	–	117.06	349.66	–	54.04
(b) Non-current:						
Asset - Other financial assets	1153.97	–	7.22	417.62	–	0.34
Liability - Other financial liabilities	1560.35	–	29.91	85.94	–	0.27
(ii) Swap contracts						
(a) Non-current:						
Liability - Other financial liabilities	–	30.61	–	–	–	–
(ii) Option contracts						
(a) Current:						
Asset - Other financial assets	45.62	–	40.04	80.39	–	16.97
Liability - Other financial liabilities	11.84	–	26.26	4.94	–	9.34
(b) Non-current:						
Asset - Other financial assets	98.64	–	30.39	43.80	–	20.78
Liability - Other financial liabilities	171.84	–	–	8.19	–	20.11

(B) Fair value hedge:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
	Currency exposure	Currency exposure
Forward contracts		
(a) Current:		
Asset - Other financial assets	0.40	17.99
Liability - Other financial liabilities	84.98	1.93

(C) Net investment hedge:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
	Currency exposure	Currency exposure
Forward contracts		
(a) Current:		
Asset - Other financial assets	–	2.23
Liability - Other financial liabilities	6.73	–

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [59] (contd.)

(i) Breakup of cash flow hedging reserve and cost of hedging reserve:

₹ crore

Particulars	As at 31-3-2026		As at 31-3-2025	
	Cash flow hedging reserve	Cost of hedging reserve	Cash flow hedging reserve	Cost of hedging reserve
Balance towards continuing hedges	(219.27)	108.13	(45.84)	138.35
Balance for which hedge accounting discontinued	623.88	–	158.82	–
Total	404.61	108.13	112.98	138.35

(j) Reclassification of hedging reserve and cost of hedging reserve to Profit or Loss:

₹ crore

Particulars	2025-26	2024-25
(A) Future cash flows are no longer expected to occur:		
(i) Sales, administration and other expenses	1.45	(53.18)
(B) Hedged expected future cash flows affecting Profit or loss:		
(i) Progress billing	(245.41)	(61.19)
(ii) Revenue from operations	(32.75)	(24.52)
(iii) Manufacturing, construction and operating expenses	346.80	(6.84)
(iv) Sales, administration and other expenses	50.65	(2.38)

(k) Movement of cash flow hedging reserve and cost of hedging reserve:

₹ crore

Cash flow hedging reserve	2025-26	2024-25
Opening balance	112.98	279.01
Changes in the spot element of the forward contracts which is designated as hedging instruments for time period related hedges	297.18	(234.54)
Changes in intrinsic value of option contracts	(82.06)	(4.30)
Changes in fair value of swaps	53.37	(28.02)
Amount reclassified to Profit or Loss	(501.56)	60.04
Amount included in non-financial asset/liability	12.03	(13.73)
Amount included in progress billing in Balance Sheet	245.41	61.19
Translation adjustment	(0.84)	(0.29)
Taxes related to above	268.10	(6.38)
Closing balance	404.61	112.98

₹ crore

Cost of hedging reserve	2025-26	2024-25
Opening balance	138.35	(4.67)
Changes in the forward element of the forward contracts where changes in spot element of forward contract is designated as hedging instruments for time period related hedges	(177.24)	164.24
Amount reclassified to Profit or Loss	135.41	26.88
Taxes related to above	11.61	(48.10)
Closing balance	108.13	138.35

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [60]

Value of financial assets and inventories hypothecated as collateral for liabilities and/or commitments and/or contingent liabilities:

₹ crore

Particulars	As at 31-3-2026	As at 31-3-2025
A. Current:		
Inventories and trade receivables	8560.17	9207.33
Cash and cash equivalents	–	171.77
Loans	38781.41	33758.89
Other assets	2673.19	4686.30
Total inventories and current financial assets hypothecated as collateral	50014.77	47824.29
B. Non-current:		
Investments	1712.55	1162.65
Loans	67913.32	54517.89
Total non-current financial assets hypothecated as collateral	69625.87	55680.54
C. Classified as Held for Sale:		
Investments	788.76	–
Inventories and trade receivables	838.84	–
Cash and cash equivalents	319.04	–
Loans	6596.77	–
Other assets	486.35	–
Total assets classified as held for sale hypothecated as collateral	9029.76	–

NOTE [61]

Disclosure pursuant to Ind AS 116 "Leases"

(a) Where the Group is a lessor:

(i) Finance leases:

A. Assets given under leases mainly include power plant [Classified as Held for Sale - Note 45(a)] where the Group has agreed to manufacture/construct an asset and convey, in substance, a right to the beneficiary to use the asset over a major part of its economic life, for a pre-determined consideration.

B. Finance lease income recognised in the Statement of Profit and Loss: ₹ 913.03 crore (previous year: ₹ 944.45 crore). Out of above, ₹ 789.84 crore (previous year: ₹ 831.49 crore) is on the net investment in finance lease and ₹ 123.19 crore (previous year: ₹ 112.96 crore) is income relating to variable lease payments not included in the measurement of the net investment in finance leases.

C. The gross investment in these leases and the present value of minimum lease payments receivable are as under:

₹ crore

Sr. No.	Particulars	Minimum lease payments		Present value of minimum lease payments	
		As at 31-3-2026	As at 31-3-2025	As at 31-3-2026	As at 31-3-2025
1	Receivable not later than 1 year	2.64	1017.80	2.52	327.79
2	Receivable later than 1 year and not later than 2 years	1.27	1008.68	1.01	264.14
3	Receivable later than 2 years and not later than 3 years	–	1002.33	–	288.43
4	Receivable later than 3 years and not later than 4 years	–	977.77	–	296.39
5	Receivable later than 4 years and not later than 5 years	–	981.40	–	334.92
6	Receivable later than 5 years	–	8489.34	–	4638.27
7	Unguaranteed residual value	–	990.36	–	990.36
8	Gross investment in leases (1+2+3+4+5+6+7)	3.91	14467.68	3.53	7140.30
9	Less: Unearned finance income	0.38	7327.38		
10	Present value of minimum lease payments receivable (8-9)	3.53	7140.30		
11	Less: Impairment [in Developmental Projects Segment/ Expected credit loss on lease receivables	–	1988.64	–	1988.64
	Net lease receivables (10-11)	3.53	5151.66	3.53	5151.66

Note: Lease payments as at 31-3-2026 does not include lease receivables of Nabha Power Limited which have been classified as held for sale in accordance with Ind AS 105.

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [61] (contd.)

D. Reconciliation of carrying amount of net investment in finance lease receivables:

₹ crore

Sr. No.	Particulars	2025-26	2024-25
1	Opening balance	5151.66	5611.70
2	Finance income/sub-lease income recognised during the year	789.85	831.49
3	Addition/(Deletion) to finance lease during the year	3.53	0.01
4	Lease rental received during the year	(1017.80)	(1291.54)
5	Lease receivables classified as Held for Sale	(4923.71)	–
6	Closing balance (1+2+3+4+5)	3.53	5151.66

(ii) Operating leases:

A. The Group has given, on non-cancellable lease, certain assets such as Land, buildings, plant & equipment and furniture & fixtures. Leases are renewed only on mutual consent and at a prevalent market price and sub-lease is generally restricted.

B. Operating lease income recognised in the Statement of Profit and Loss: ₹ 202.84 crore (previous year: ₹ 195.13 crore).

C. Annual undiscounted lease payments receivable is as under:

₹ crore

Sr. No.	Particulars	As at 31-3-2026	As at 31-3-2025
1	Receivable not later than 1 year	60.60	80.52
2	Receivable later than 1 year and not later than 2 years	55.84	69.21
3	Receivable later than 2 years and not later than 3 years	53.70	58.81
4	Receivable later than 3 years and not later than 4 years	50.50	51.87
5	Receivable later than 4 years and not later than 5 years	46.82	49.53
6	Receivable later than 5 years	287.26	334.34
	Total (1+2+3+4+5+6)	554.72	644.28

(b) Where the Group is a lessee:

(i) The Group has taken on lease various assets such as plant & equipment, buildings, vehicles and computers. Generally, leases are renewed only on mutual consent and at a prevalent market price.

(ii) Details with respect to right-of-use assets:

₹ crore

Class of asset	Amortisation for the year		Additions during the year		Carrying amount	
	2025-26	2024-25	2025-26	2024-25	As at 31-3-2026	As at 31-3-2025
Land	41.31	30.90	18.58	299.25	660.17	679.26
Buildings	705.81	537.78	1665.23	885.79	2962.13	2092.63
Plant & equipment	3.71	6.94	–	0.20	0.26	3.97
Vehicles	32.39	11.71	96.38	99.74	150.97	93.16
Computers	–	–	0.27	–	0.27	–
Total	783.22	587.33	1780.46	1284.98 *	3773.80	2869.02

* Includes addition on account of business combination ₹ 49.03 crore

(iii) Interest expense on lease liabilities amounts to ₹ 232.17 crore (previous year: ₹ 193.60 crore)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [61] (contd.)

(iv) Amounts not included in the measurement of the lease liability and recognised as expense in the Statement of Profit and Loss during the year are as follows:

A. Short term leases - ₹ 9082.98 crore (previous year: ₹ 6798.12 crore);

B. Low value leases - ₹ 34.63 crore (previous year: ₹ 109.29 crore)

(v) Total cash outflow for leases amounts to ₹ 9760.90 crore (previous year: ₹ 7534.33 crore) during the year including cash outflow of short term and low value leases.

(vi) The Group has entered into certain lease agreements, which had not commenced by the year end and as a result, a lease liability and right-of-use asset has not been recognised. The aggregate future cash flows to which the Group is exposed in respect of these contracts are:
Fixed payments of ₹ 231.95 crore per year for a lease term of 10 years (previous year: ₹ 28.11 crore per year for a lease term of 5 years)

NOTE [62]

Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31-3-2026:

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
Parent company								
Larsen and Toubro Limited	68.20%	74532.90	39.09%	6287.13	520.75%	968.52	44.60%	7255.65
Indian Subsidiaries								
Infrastructure:								
Hi-Tech Rock Products and Aggregates Limited	0.02%	26.09	0.01%	1.85	–	–	0.01%	1.85
L&T Geostructure Private Limited	0.53%	576.84	0.30%	48.53	(0.45%)	(0.84)	0.29%	47.69
Energy:								
L&T Offshore Marine Private Limited [a]	0.25%	278.31	0.11%	17.24	7.46%	13.87	0.19%	31.11
Hi-Tech Manufacturing:								
L&T Electrolysers Limited	0.16%	176.77	(0.30%)	(47.90)	0.02%	0.03	(0.29%)	(47.87)
L&T Special Steels and Heavy Forgings Private Limited	(1.28%)	(1393.83)	3.39%	545.31	0.09%	0.16	3.35%	545.47
IT & Technology Services:								
LTM Limited [b]	20.92%	22868.55	30.67%	4933.75	(1045.77%)	(1944.98)	18.37%	2988.77
L&T Technology Services Limited	5.42%	5927.10	7.50%	1206.15	(242.17%)	(450.40)	4.65%	755.75
L&T Thales Technology Services Private Limited	0.07%	73.56	0.05%	7.48	0.09%	0.16	0.05%	7.64
Intelliswift Software (India) Private Limited	0.07%	76.42	0.14%	22.43	1.70%	3.16	0.16%	25.59
L&T Network Services Private Limited	0.02%	18.31	(0.03%)	(4.29)	–	–	(0.03%)	(4.29)
L&T Semiconductor Technologies Limited	0.27%	298.89	(2.20%)	(354.41)	(0.57%)	(1.06)	(2.18%)	(355.47)
SuFin Limited	0.05%	53.90	–	(0.05)	–	–	–	(0.05)
Financial Services:								
L&T Finance Limited	25.47%	27833.28	19.28%	3100.31	5.56%	10.35	19.12%	3110.66
L&T Infra Investment Partners Advisory Private Limited	0.03%	29.20	–	(0.19)	–	0.04	–	(0.15)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [62] (contd.)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
L&T Infra Investment Partners Trustee Private Limited	–	0.11	–	–	–	–	–	–
L&T Financial Consultants Limited	0.26%	284.92	0.19%	30.60	–	–	0.19%	30.60
L&T Infra Investment Partners	0.10%	114.60	0.02%	3.75	–	–	0.02%	3.75
Developmental Projects:								
L&T Metro Rail (Hyderabad) Limited	0.06%	64.66	(4.62%)	(743.12)	0.16%	0.29	(4.57%)	(742.83)
L&T Himachal Hydropower Limited	–	(2.22)	–	(0.12)	–	–	–	(0.12)
L&T Power Development Limited	2.47%	2703.12	0.10%	15.78	–	–	0.10%	15.78
Nabha Power Limited	4.95%	5410.52	2.11%	339.71	(0.13%)	(0.25)	2.09%	339.46
L&T Energy Green Tech Limited	0.38%	412.72	(0.23%)	(36.62)	(0.69%)	(1.29)	(0.23%)	(37.91)
Panipat Green Hydrogen Private Limited	–	0.01	–	–	–	–	–	–
L&T Green Energy Kandla Private Limited	–	0.01	–	–	–	–	–	–
Realty:								
Chennai Vision Developers Private Limited	–	(0.06)	–	(0.01)	–	–	–	(0.01)
Elevated Avenue Realty LLP	0.21%	231.22	(0.65%)	(103.78)	0.06%	0.11	(0.64%)	(103.67)
Elante Properties Private Limited	0.25%	276.31	(0.05%)	(8.10)	(0.04%)	(0.08)	(0.05%)	(8.18)
L&T Realty Developers Limited	1.49%	1630.38	0.88%	141.51	0.02%	0.04	0.87%	141.55
L&T Realty Properties Limited	2.66%	2911.94	1.20%	193.49	0.03%	0.05	1.19%	193.54
L&T Westend Project LLP	–	–	–	–	–	–	–	–
Prime Techpark (Chennai) Private Limited	–	(0.02)	–	(0.01)	–	–	–	(0.01)
Bangalore Galaxy Techpark Private Limited	–	0.04	–	–	–	–	–	–
Chennai Nova Techpark Private Limited	–	0.02	–	(0.01)	–	–	–	(0.01)
Business Park (Powai) Private Limited	0.26%	281.62	(0.02%)	(3.63)	–	–	(0.02%)	(3.63)
Millennium Techpark (Chennai) Private Limited	–	0.02	–	(0.01)	–	–	–	(0.01)
Corporate Park (Powai) Private Limited	0.18%	199.85	–	(0.32)	–	–	–	(0.32)
LH Residential Housing Private Limited	(0.08%)	(91.90)	(0.19%)	(29.95)	0.01%	0.02	(0.18%)	(29.93)
LH Uttarayan Premium Realty Private Limited	–	(0.04)	–	(0.02)	–	–	–	(0.02)
Valves, Construction Equipment and Others:								
L&T Construction Equipment Limited	0.19%	210.00	0.06%	9.58	0.30%	0.55	0.06%	10.13
L&T Valves Limited	0.50%	544.32	1.67%	269.19	(9.53%)	(17.73)	1.55%	251.46

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [62] (contd.)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
Others:								
Bhilai Power Supply Company Limited	–	0.05	–	–	–	–	–	–
L&T Aviation Services Private Limited	0.03%	37.31	–	(0.31)	–	–	–	(0.31)
L&T Capital Company Limited	–	3.12	–	0.14	–	–	–	0.14
Foreign Subsidiaries								
Infrastructure:								
Larsen & Toubro (Oman) LLC	0.60%	654.91	1.70%	273.32	31.44%	58.48	2.04%	331.80
Larsen & Toubro Qatar LLC	–	(1.07)	–	(0.01)	(0.06%)	(0.11)	–	(0.12)
Larsen & Toubro Saudi Arabia LLC	0.89%	969.16	(0.52%)	(82.86)	74.59%	138.72	0.34%	55.86
Larsen & Toubro T&D SA (Proprietary) Limited	–	1.30	(0.02%)	(3.35)	0.25%	0.46	(0.02%)	(2.89)
Larsen & Toubro (East Asia) Sdn. Bhd.	0.05%	59.81	0.13%	21.35	4.74%	8.82	0.19%	30.17
PT Larsen and Toubro	0.02%	21.26	0.06%	9.53	0.69%	1.29	0.07%	10.82
Larsen & Toubro International FZE	2.66%	2908.08	8.59%	1381.67	144.15%	268.10	10.14%	1649.77
Larsen & Toubro CIS FE LLC	0.03%	29.94	0.22%	35.23	0.83%	1.55	0.23%	36.78
Larsen & Toubro Kuwait Construction General Contracting Co. WLL	0.01%	13.73	0.02%	2.73	0.70%	1.30	0.02%	4.03
Energy:								
Larsen & Toubro Heavy Engineering LLC	–	(1.13)	(0.02%)	(3.19)	–	–	(0.02%)	(3.19)
L&T Modular Fabrication Yard LLC	0.12%	132.99	0.54%	87.02	16.31%	30.33	0.72%	117.35
Larsen Toubro Arabia LLC	0.34%	369.77	1.87%	300.60	8.01%	14.90	1.94%	315.50
L&T Hydrocarbon Saudi Company	(0.80%)	(871.76)	(1.08%)	(173.95)	118.35%	220.11	0.28%	46.16
Larsen & Toubro Electromech LLC	0.02%	26.01	–	0.31	2.89%	5.37	0.03%	5.68
L&T Energy Offshore Wind B.V	–	–	–	–	–	–	–	–
IT & Technology Services:								
LTIMindtree Information Technology Services (Shanghai) Co. Limited	0.01%	8.03	–	0.70	0.60%	1.11	0.01%	1.81
LTIMindtree Financial Services Technologies Inc.	0.71%	775.93	0.91%	145.83	43.56%	81.02	1.39%	226.85
LTIMindtree Canada Limited	0.18%	191.64	0.24%	37.99	11.46%	21.31	0.36%	59.30
LTIMindtree South Africa (Pty) Limited	0.04%	38.30	0.06%	9.83	2.60%	4.83	0.09%	14.66
LTIMindtree GmbH	0.49%	537.36	0.03%	4.13	19.44%	36.16	0.25%	40.29
LTIMindtree Spain, S.L	–	1.41	–	0.07	0.07%	0.13	–	0.20
LTIMindtree Norge AS	0.02%	21.65	0.01%	0.96	1.82%	3.39	0.03%	4.35
LTIMindtree S.De. RL.De. C.V	0.03%	29.33	0.03%	4.04	2.06%	3.84	0.05%	7.88
LTIMindtree S.A.	(0.11%)	(124.42)	(0.43%)	(69.37)	(7.34%)	(13.66)	(0.51%)	(83.03)
Syncordis Limited, UK	–	–	(0.04%)	(6.74)	3.62%	6.74	–	–

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [62] (contd.)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
LTIMindtree PSF S.A.	0.03%	27.53	(0.04%)	(6.37)	3.12%	5.80	–	(0.57)
LTIMindtree Swizerland AG	(0.01%)	(9.02)	(0.05%)	(7.34)	(0.41%)	(0.76)	(0.05%)	(8.10)
Nielsen+Partner PTE Limited	–	–	0.34%	54.70	(1.60%)	(2.98)	0.32%	51.72
LTIMindtree (Thailand) Limited	–	(5.44)	0.02%	3.50	(0.65%)	(1.20)	0.01%	2.30
LTIMindtree USA Inc	–	(2.98)	0.01%	0.98	(2.88%)	(5.35)	(0.03%)	(4.37)
LTIMindtree UK Limited	0.12%	131.58	0.23%	36.88	7.05%	13.12	0.31%	50.00
LTIMindtree Middle East FZ-LLC	0.06%	64.14	0.07%	11.42	3.21%	5.97	0.11%	17.39
LTIMindtree Consulting Brazil Ltda	0.01%	11.58	0.01%	1.51	0.85%	1.58	0.02%	3.09
LTIM Aramco Digital Solutions for Information Technology Company	0.13%	144.77	(0.49%)	(78.22)	5.44%	10.11	(0.42%)	(68.11)
L&T Technology Services LLC	1.28%	1397.58	0.28%	44.77	74.34%	138.27	1.13%	183.04
L&T Technology Services Pte. Ltd.	–	0.14	–	(0.15)	0.02%	0.04	–	(0.11)
Graphene Solutions SDN. BHD.	–	0.08	–	(0.01)	0.01%	0.02	–	0.01
Graphene Solutions Taiwan Limited	–	(0.70)	(0.01%)	(0.88)	–	0.01	(0.01%)	(0.87)
L&T Technology Services (Shanghai) Co. Ltd.	0.01%	6.80	0.01%	1.44	0.61%	1.13	0.02%	2.57
L&T Technology Services (Canada) Ltd.	–	(3.30)	–	(0.48)	(0.08%)	(0.15)	–	(0.63)
L&T Technology Services Poland sp. z o.o.	–	–	–	–	–	–	–	–
Intelliswift Software Inc.	0.06%	60.68	0.22%	35.93	4.62%	8.59	0.27%	44.52
Intelliswift Software (Costa Rica) Limitada	–	(0.15)	–	0.31	(0.03%)	(0.05)	–	0.26
Global Infotech Corporation	0.04%	44.36	0.15%	23.92	(0.52%)	(0.97)	0.14%	22.95
Intelliswift Software (Hungary) Kft	–	1.05	–	(0.23)	0.23%	0.43	–	0.20
Intelliswift Software (Canada) Inc	–	4.58	0.02%	2.97	(0.02%)	(0.05)	0.02%	2.92
P. Murphy & Associates Inc	0.04%	47.64	(0.02%)	(2.61)	2.79%	5.18	0.02%	2.57
Valves, Construction Equipment and Others:								
L&T Valves Arabia Manufacturing LLC	–	2.98	0.04%	6.38	0.04%	0.07	0.04%	6.45
L&T Valves USA LLC	0.01%	8.24	0.01%	1.09	0.42%	0.78	0.01%	1.87
Others:								
L&T Global Holdings Limited	0.69%	753.11	3.31%	531.58	45.51%	84.65	3.79%	616.23
Total Subsidiaries		80543.50		12190.88		(1229.37)		10961.51
Non-controlling Interest in all subsidiaries	(17.61%)	(19240.66)	(17.84%)	(2869.89)	318.56%	592.48	(14.00%)	(2277.41)
Indian Associates								
Gujarat Leather Industries Limited	–	–	–	–	–	–	–	–
Magtorq Private Limited	0.01%	8.66	–	0.32	–	–	–	0.32
E2E Networks Limited	0.28%	310.89	(0.02%)	(2.87)	0.09%	0.17	(0.02%)	(2.70)

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [62] (contd.)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated Other comprehensive income	Amount (₹ crore)	As % of consolidated Total comprehensive income	Amount (₹ crore)
Foreign Associates								
Larsen & Toubro Qatar & HBK Contracting Co. WLL	–	(5.06)	–	–	–	–	–	–
L&T Camp Facilities LLC	–	–	–	–	(0.01%)	(0.01)	–	(0.01)
Total Associates		314.49		(2.55)		0.16		(2.39)
Indian Joint Ventures								
Energy:								
L&T - MHI Power Boilers Private Limited	0.55%	603.74	(1.07%)	(172.46)	9.86%	18.34	(0.95%)	(154.12)
L&T - MHI Power Turbine Generators Private Limited	0.12%	132.27	(0.17%)	(27.60)	4.96%	9.23	(0.11%)	(18.37)
L&T Howden Private Limited	0.09%	97.35	0.10%	16.39	(0.02%)	(0.03)	0.10%	16.36
L&T-Sargent & Lundy Limited	0.06%	69.16	0.34%	55.04	(0.98%)	(1.82)	0.33%	53.22
L&T Offshore Marine Private Limited [a]	–	–	(0.20%)	(32.66)	1.91%	3.56	(0.18%)	(29.10)
Hi-Tech Manufacturing:								
L&T MBDA Missile Systems Limited	0.09%	98.02	0.01%	1.25	–	–	0.01%	1.25
Developmental Projects:								
GH4India Private Limited	–	(1.52)	–	(0.02)	–	–	–	(0.02)
Others:								
Raykal Aluminium Company Private Limited	–	(0.67)	–	(0.01)	–	–	–	(0.01)
Foreign Joint Ventures								
Energy:								
Indiran Engineering Projects & Systems Kish PJSC	–	0.12	–	0.02	0.04%	0.07	–	0.09
Hydrocarbon Arabia Limited Company	(0.01%)	(8.00)	(0.01%)	(1.34)	(0.69%)	(1.29)	(0.02%)	(2.63)
Total Joint Ventures		990.47		(161.39)		28.06		(133.33)
CFS adjustment and elimination	(25.47%)	(27850.90)	3.97%	639.81	(93.47%)	(173.87)	2.84%	465.94
Total		109289.80		16083.99		185.98		16269.97

[a] formerly known as L&T Sapura Shipping Private Limited

[b] formerly known as LTIMindtree Limited

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

a) Notes with respect to remarks in CARO Report:

(i) L&T Special Steels and Heavy Forgings Private Limited ("LTSSHF") has an overdue outstanding loan including interest aggregating to ₹ 1586.77 crore (the same is due for more than 90 days) to the Parent Company as on March 31, 2026. In February 2025, LTSSHF became a wholly owned subsidiary of the Parent Company on termination of JV with NPCIL, post which LTSSHF has aligned its business strategies with the Parent Company and initiated measures to drive business growth and improve profitability. In parallel, Parent Company has undertaken the necessary business and financial restructuring steps to strengthen the LTSSHF's position to service its debt and interest obligations in coming years.

(ii) Business Park (Powai) Private limited [BPPPL] & Corporate Park (Powai) Private Limited [CPPPL], wholly owned subsidiaries (SPVs) of the Company, are engaged in the development of commercial properties classified as Investment Property. Both projects are subcontracted for full scope of construction work. The concerned Management has planned to conduct Internal Audit in FY27 on takeover from the contractors and the commencement of the commercial operations.

b) Miscellaneous expenses under the heading Sales, Administration and Other Expenses [Note 38] during the year include contribution paid to a Trust: ₹ 100.00 crore (previous year: ₹ 300.00 crore).

c) Balance outstanding with struck off companies:

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
1	AT & LS Private Limited	Accounts Payables	NA	– [1]	– [1]
2	Terra Firma Promoters & Developers Private Limited	Accounts Payables	NA	0.14	0.14
3	Wipo Teleservices Private Limited	Accounts Payables	NA	0.06	0.06
4	Tropical Granites India Private Limited	Accounts Payables	NA	– [1]	– [1]
5	Akashdeep Plaza & Developers Private Limited	Accounts Payables	NA	– [1]	– [1]
6	Executive Engineer (E&M) M.I.D.C. Division Nagpur	Accounts Payables	NA	– [1]	– [1]
7	Payal Synthetics Private Limited	Accounts Payables	NA	– [1]	– [1]
8	Pranavam Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
9	The Rubber Products Limited	Accounts Payables	NA	– [1]	– [1]
10	Bently Nevada India Private Limited	Accounts Payables	NA	– [1]	– [1]
11	Rk Gautam Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
12	Probus Infratech Private Limited	Accounts Payables	NA	– [1]	– [1]
13	P S Steel Tubes Private Limited	Accounts Payables	NA	0.14	0.49
14	Planet Hard Consultancy Private Limited	Accounts Payables	NA	– [1]	– [1]
15	Priyanka Managment Solution (India) Private Limited	Accounts Payables	NA	0.49	0.48
16	Vertex Realtech Infra Private Limited	Accounts Payables	NA	0.48	0.49
17	Ramakrishna Power Tech Private Limited	Accounts Payables	NA	0.29	0.29
18	D.B.Constructions Private Limited	Accounts Payables	NA	0.28	0.28
19	BRJS Contractors Private Limited	Accounts Payables	NA	0.23	0.24
20	Shree Kranti Infracon Private Limited	Accounts Payables	NA	0.22	0.22
21	Antilia Facility Management Private Limited	Accounts Payables	NA	0.15	0.15
22	Thakurai Engineering Private Limited	Accounts Payables	NA	0.15	0.15
23	Aayansh Securities Systems Private Limited	Accounts Payables	NA	0.15	0.15
24	Nova Tools And Technologies Private Limited	Accounts Payables	NA	0.13	0.13
25	JBS Estcon Private Limited	Accounts Payables	NA	0.13	0.13
26	Vams Construction Private Limited	Accounts Payables	NA	0.11	0.13

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
27	Auskini Infraqp Private Limited	Accounts Payables	NA	0.11	0.11
28	S K Modern Construction & Engineering Private Limited	Accounts Payables	NA	0.10	0.10
29	Muskan Techno Engineering Construction Private Limited	Accounts Payables	NA	0.07	0.07
30	Techcon Chemicals Private Limited	Accounts Payables	NA	0.07	0.36
31	Kazmi And Sons Builders Private Limited	Accounts Payables	NA	0.07	0.07
32	Edgecon Engineering Projects Private Limited	Accounts Payables	NA	0.07	0.09
33	DIPL Construction Private Limited	Accounts Payables	NA	0.06	0.10
34	Silk Route Infrastructure Private Limited	Accounts Payables	NA	0.05	0.05
35	Dwarkesh Buildcom Private Limited	Accounts Payables	NA	0.05	0.05
36	Sharma Infrabuild Private Limited	Accounts Payables	NA	0.05	0.05
37	Om Sai Project Developers And Engineers Private Limited	Accounts Payables	NA	0.05	0.05
38	RGK Infracon Private Limited	Accounts Payables	NA	0.05	0.05
39	Global Engineering & Marketing Services Private Limited	Accounts Payables	NA	0.05	0.05
40	Nexgen Transcom Private Limited	Accounts Payables	NA	– [1]	– [1]
41	Chaudhary Om Parkash Earth Movers Private Limited	Accounts Payables	NA	– [1]	– [1]
42	Soul And Mind Concrete System Private Limited	Accounts Payables	NA	– [1]	0.06
43	S V Infraproperties Private Limited	Accounts Payables	NA	– [1]	– [1]
44	Triplex Builders Private Limited	Accounts Payables	NA	– [1]	– [1]
45	JPS Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
46	Ayurda Millennium Ventures Private Limited	Accounts Payables	NA	– [1]	– [1]
47	Abhiraksha Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
48	Shri Vedika Engineering Private Limited	Accounts Payables	NA	– [1]	0.06
49	Sri Abs Lakshn Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
50	Hudor Projects India Private Limited	Accounts Payables	NA	– [1]	– [1]
51	Shravani Environment Technology Private Limited	Accounts Payables	NA	– [1]	– [1]
52	Narshimha Buildtech Private Limited	Accounts Payables	NA	– [1]	– [1]
53	Morden Green Biotech Private Limited	Accounts Payables	NA	– [1]	– [1]
54	Akonn Infra Tech (India) Private Limited	Accounts Payables	NA	– [1]	– [1]
55	Cheyuta Infrasturcture Private Limited	Accounts Payables	NA	– [1]	– [1]
56	Shreeji Home Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
57	Nirmal Aircon Private Limited	Accounts Payables	NA	– [1]	– [1]
58	Zafcon Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
59	SV Engineering And Contracting Services Private Limited	Accounts Payables	NA	– [1]	– [1]
60	Sikar Trading And Contracting Private Limited	Accounts Payables	NA	– [1]	– [1]
61	UKR Infra Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
62	Amritlaxmi Properties Private Limited	Accounts Payables	NA	– [1]	– [1]
63	Om Pranav Infrastructure Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
64	Honeyed Engineering Private Limited OPC	Accounts Payables	NA	– [1]	– [1]
65	Timely Developers Consultants Private Limited	Accounts Payables	NA	– [1]	– [1]
66	Set Sanayi Elektrik-Tesisat Taahhut Ve Ticaret India Private Limited	Accounts Payables	NA	– [1]	– [1]
67	Aarib Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
68	G-5 Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
69	Shahid Engineers & Contractors Private Limited	Accounts Payables	NA	– [1]	– [1]
70	Zaaharveer Projects Private Limited	Accounts Payables	NA	– [1]	0.13
71	Paf Infrastructure Private Limited	Accounts Payables	NA	– [1]	– [1]
72	A K Infrasolutins Private Limited	Accounts Payables	NA	– [1]	– [1]
73	Sriya Tunnel Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
74	Onella Visions Private Limited	Accounts Payables	NA	– [1]	– [1]
75	Escalador Geo-Systems And Engineering Survey Private Limited	Accounts Payables	NA	– [1]	– [1]
76	Savitri Infrastrcuture Private Limited	Accounts Payables	NA	– [1]	– [1]
77	Kiwi Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
78	Fundamental Infratech Private Limited	Accounts Payables	NA	– [1]	– [1]
79	Brahmaputra Engitech Private Limited	Accounts Payables	NA	– [1]	– [1]
80	Realsharp Infraatech Services Private Limited	Accounts Payables	NA	– [1]	– [1]
81	Amaravati Rcc Pipes India Private Limited	Accounts Payables	NA	– [1]	– [1]
82	ER Infra Innovative Private Limited	Accounts Payables	NA	– [1]	– [1]
83	Rattiputra Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
84	Bramhands Infrastructure Private Limited	Accounts Payables	NA	– [1]	– [1]
85	Rani Aishwarya Infracon Private Limited	Accounts Payables	NA	– [1]	– [1]
86	Sudha Rehabs And Hospitality Private Limited	Accounts Payables	NA	– [1]	– [1]
87	Knight Engineers Contractors & Consultants Private Limited	Accounts Payables	NA	– [1]	– [1]
88	Kissan Land Promoters Private Limited	Accounts Payables	NA	– [1]	– [1]
89	Posorbis Infrastucture Private Limited	Accounts Payables	NA	– [1]	– [1]
90	Ifensys Software Solutions Private Limited	Accounts Payables	NA	– [1]	– [1]
91	Aerocon Hyderabad Infraprojects Private Limited	Accounts Payables	NA	– [1]	– [1]
92	Ace Offshore And Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
93	Riccardo Readymixs And Infra Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
94	ADM Infracon India Private Limited	Accounts Payables	NA	– [1]	– [1]
95	Walls Infra Solution Private Limited	Accounts Payables	NA	– [1]	– [1]
96	Dhanamjay Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
97	Ham Constructions & Engineering Works Private Limited	Accounts Payables	NA	– [1]	– [1]
98	Victra Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
99	Faithful Creator Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
100	Ashok Balyan Infra Project Private Limited	Accounts Payables	NA	– [1]	– [1]
101	Roy Management And Information Technology Private Limited	Accounts Payables	NA	– [1]	– [1]
102	DV Procon Private Limited	Accounts Payables	NA	– [1]	– [1]
103	Sukita Security And Services Private Limited	Accounts Payables	NA	– [1]	– [1]
104	Aahsin India Private Limited	Accounts Payables	NA	– [1]	– [1]
105	Sheoveena Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
106	Csk Engineering And Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
107	Manha Earthcon Private Limited	Accounts Payables	NA	– [1]	– [1]
108	Ye Power Transmission Pvt Limited	Accounts Payables	NA	– [1]	– [1]
109	Paradisegarden Infraproject Private Limited	Accounts Payables	NA	– [1]	– [1]
110	Vissa Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
111	Maurya Devbuild Private Limited	Accounts Payables	NA	– [1]	– [1]
112	MSP Develco Private Limited	Accounts Payables	NA	– [1]	– [1]
113	Paramshiv Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
114	Jatra Services India Private Limited	Accounts Payables	NA	– [1]	– [1]
115	Sbh Shoring Systems Private Limited	Accounts Payables	NA	– [1]	– [1]
116	Shreya Infra Venture Private Limited	Accounts Payables	NA	– [1]	– [1]
117	Manish Duggal Telecom Private Limited	Accounts Payables	NA	– [1]	– [1]
118	ARJ Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
119	Varad Infra Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
120	Kishley Constructions Private Limited	Accounts Payables	NA	– [1]	– [1]
121	Zain Thermal Solutions Private Limited	Accounts Payables	NA	– [1]	– [1]
122	Artisans Design & Build Pvt.Limited	Accounts Payables	NA	– [1]	– [1]
123	Bindra Evolutiion Enterprises Private Limited	Accounts Payables	NA	– [1]	– [1]
124	M/S Ganga Mechanical Works Private Limited	Accounts Payables	NA	– [1]	– [1]
125	Opti Tech Infra Projects India Opc Private Limited	Accounts Payables	NA	– [1]	– [1]
126	Aircon System Engineers Private Limited	Accounts Payables	NA	– [1]	– [1]
127	Nirmal Sai Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
128	Fairmans Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
129	Mecvil Infracon Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
130	Scotnix Solution Private Limited	Accounts Payables	NA	– [1]	– [1]
131	Pinak Security & Management Private Limited	Accounts Payables	NA	– [1]	– [1]
132	JRC Biuildcon Private Limited	Accounts Payables	NA	– [1]	– [1]
133	DNE Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
134	Sce Global Steel And Facade Private Limited	Accounts Payables	NA	– [1]	– [1]
135	Farhad Interior And Exterior Private Limited	Accounts Payables	NA	– [1]	– [1]
136	Siyaram Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
137	Veekay Engineering India Private Limited	Accounts Payables	NA	– [1]	– [1]
138	Sahu Infrastructure Private Limited	Accounts Payables	NA	– [1]	– [1]
139	Alpana Buildtech Private Limited	Accounts Payables	NA	– [1]	– [1]
140	Creo Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
141	Leadleap Engineers Private Limited	Accounts Payables	NA	– [1]	– [1]
142	Aadhiraj Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
143	Alias Management Marketing Private Limited	Accounts Payables	NA	– [1]	– [1]
144	Elena Management & Services Private Limited	Accounts Payables	NA	– [1]	– [1]
145	Torobuild Constructions (Opc) Private Limited	Accounts Payables	NA	– [1]	– [1]
146	Avn Green Technologies Private Limited	Accounts Payables	NA	– [1]	– [1]
147	Peass Infra Private Limited	Accounts Payables	NA	– [1]	– [1]
148	Jodhpur Infra-Con Private Limited	Accounts Payables	NA	– [1]	– [1]
149	New Proponent Security Services Private Limited	Accounts Payables	NA	– [1]	– [1]
150	Swadesh Energy Private Limited	Accounts Payables	NA	– [1]	– [1]
151	Lakshman Singh Construction Private Limited	Accounts Payables	NA	– [1]	– [1]
152	Essa Infrabuild Private Limited	Accounts Payables	NA	– [1]	– [1]
153	Infisoft India Technology Private Limited	Accounts Payables	NA	– [1]	– [1]
154	Sublime Contractors Private Limited	Accounts Payables	NA	– [1]	– [1]
155	Blueman Construction Projects Private Limited	Accounts Payables	NA	– [1]	– [1]
156	Spectro Testing And Research Center Private Limited	Accounts Payables	NA	– [1]	– [1]
157	Care Infra Engineers Limited	Accounts Payables	NA	– [1]	– [1]
158	MEI Engineers Private Limited	Accounts Payables	NA	– [1]	– [1]
159	White Vibes Private Limited	Accounts Payables	NA	– [1]	– [1]
160	Harhar Mahadev Infra Developer Private Limited	Accounts Payables	NA	– [1]	– [1]
161	Indco Engineers & Contractors Private Limited	Accounts Payables	NA	– [1]	– [1]
162	Rk Build Solutions Private Limited	Accounts Payables	NA	– [1]	– [1]
163	JD Safety Efficency Bureau Guarding Experts Private Limited	Accounts Payables	NA	– [1]	– [1]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
164	Nevil Consultancy Services Private Limited	Accounts Payables	NA	– [1]	– [1]
165	Suhashini Infra Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
166	Dimensions India Private Limited	Accounts Payables	NA	– [1]	– [1]
167	B K Equipments Private Limited	Accounts Payables	NA	– [1]	– [1]
168	JPS Engineering Private Limited	Accounts Payables	NA	– [1]	– [1]
169	Nisarg Landscapes Private Limited	Accounts Payables	NA	– [1]	– [1]
170	Signio Globaltech Solutions (OPC) Private Limited	Accounts Payables	NA	– [1]	-
171	Teqniti Business Solutions Pvt Ltd	Accounts Payables	NA	– [1]	-
	Total payables (A)			4.00	4.98
1	NCR Aggregate Solutions Private Limited	Advance given to	NA	0.85	1.79
	Total advance given to (B)			0.85	1.79
1	Dimensions India Private Limited	Accounts Receivables	NA	-	– [1]
2	Great Eastern Trading Company	Accounts Receivables	NA	– [1]	– [1]
3	SV Intense Engineering Infrastructure Private Limited	Accounts Receivables	NA	– [1]	– [1]
4	Shyam Internet Services Limited	Accounts Receivables	NA	– [1]	– [1]
5	S.I.Mallik Infrastructure Private Limited	Accounts Receivables	NA	– [1]	– [1]
6	Venketeshwar Finco Private Limited	Accounts Receivables	NA	0.05	0.05
7	SSV Developers Private Limited	Accounts Receivables	NA	– [1]	– [1]
8	Sri Infrastructure And Water Environs Consultants Opc Private Limited	Accounts Receivables	NA	– [1]	– [1]
	Total receivables (C)			0.05	0.05
1	Monica Commerce And Trade Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
2	Astro Marketing And Commercial Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
3	Dauji Investments Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
4	Dhamankar Investments Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
5	Gomateshwar Investments Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
6	H.K. Exports Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
7	Libra Agencies Private Limited	Holding Parent Company's equity shares	NA	– [1]	-
8	Siddha Papers Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
9	Shivalik Kinema Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
10	Vani Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
11	Wizard Insurance Services Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
12	Yogesh Investment Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
13	Amersey Brothers Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
14	Betex India Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
15	Bhagwati Security Services Private Limited	Holding Parent Company's equity shares	NA	– [1]	-
16	Mahima Consultants Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
17	Omni Market Research Services Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
18	S.S.K. Stocks Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
19	Vs Network International Courier Services Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
20	Fairtrade Securities Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
21	Jabac Consultancies Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
22	Sincere Securities Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
23	Suviron Products Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
24	Alike Trading Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
25	Hardee Overseas Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
26	Avni Financial Advisors Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
27	Binet Technologies Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
28	S3 Solutions Private Limited	Holding Parent Company's equity shares	NA	– [1]	-
29	Home Trade Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
30	Sukam Financial Services Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
31	Jaipriya Holdings Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
32	Nismuk Investments And Trading Private Limited	Holding Parent Company's equity shares	NA	– [1]	– [1]
	Total Holding Parent Company's equity shares (D)			– [1]	– [1]
1	Dauji Investments Private Limited	Dividend Payable	NA	– [1]	– [1]
2	Dhamankar Investments Private Limited	Dividend Payable	NA	– [1]	– [1]
3	Gomateshwar Investments Private Limited	Dividend Payable	NA	– [1]	– [1]
4	H.K. Exports Private Limited	Dividend Payable	NA	– [1]	– [1]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
5	Siddha Papers Private Limited	Dividend Payable	NA	– [1]	– [1]
6	Shivalik Kinema Private Limited	Dividend Payable	NA	– [1]	– [1]
7	Vani Private Limited	Dividend Payable	NA	– [1]	– [1]
8	Wizard Insurance Services Private Limited	Dividend Payable	NA	– [1]	– [1]
9	Yogesh Investment Private Limited	Dividend Payable	NA	– [1]	– [1]
10	Amersey Brothers Private Limited	Dividend Payable	NA	– [1]	– [1]
11	Betex India Limited	Dividend Payable	NA	– [1]	– [1]
12	Mahima Consultants Private Limited	Dividend Payable	NA	– [1]	– [1]
13	Omni Market Research Services Private Limited	Dividend Payable	NA	– [1]	– [1]
14	S.S.K. Stocks Private Limited	Dividend Payable	NA	– [1]	– [1]
15	Vs Network International Courier Services Private Limited	Dividend Payable	NA	– [1]	– [1]
16	Fairtrade Securities Limited	Dividend Payable	NA	– [1]	– [1]
17	Jabac Consultancies Private Limited	Dividend Payable	NA	– [1]	– [1]
18	Sincere Securities Private Limited	Dividend Payable	NA	– [1]	– [1]
19	Suviron Products Private Limited	Dividend Payable	NA	– [1]	– [1]
20	Alike Trading Private Limited	Dividend Payable	NA	– [1]	– [1]
21	Hardee Overseas Private Limited	Dividend Payable	NA	– [1]	– [1]
22	Avni Financial Advisors Private Limited	Dividend Payable	NA	– [1]	– [1]
23	Binet Technologies Private Limited	Dividend Payable	NA	– [1]	– [1]
24	S3 Solutions Private Limited	Dividend Payable	NA	– [1]	– [1]
	Total dividend payable by Parent Company (E)			[1]	– [1]
1	Underground Pipeline And Non Destructive Testing Services Private Limited	Loan given by subsidiary	NA	–	0.11
2	Shopforprop Realty Private Limited	Loan given by subsidiary	NA	2.66	2.66
	Total loan given by subsidiary (F)			2.66	2.77
1	Unicon Fincap Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
2	Zenith Insurance Services Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
3	Vitalink Wealth Advisory Services Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
4	Kothari Intergroup Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
5	Fam Ensemble Facon Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
6	Pegasus Mercantile Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
7	Mahila Credit And Investment Co Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	-
8	Sanvi Fincare Consultancy Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]

Notes forming part of the Consolidated Financial Statements (contd.)

NOTE [63]

c) Balance outstanding with struck off companies: *(contd.)*

₹ crore

Sr. No.	Name of struck off company	Nature of transaction	Relationship with the struck off company	Balance outstanding as at March 31, 2026	Balance outstanding as at March 31, 2025
9	Nitin Commercials Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
10	Gdbk Investment Advisory Pvt Ltd	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
11	Mechanical And Electrical Engineering Co Private Limited	Subsidiary's shares held by struck off companies	NA	– [1]	– [1]
	Total subsidiary's shares held by struck off companies (G)			– [1]	– [1]
	Grand total (A+B+C+D+E+F+G)			7.56	9.59

– [1] Less than ₹ 5 Lakh

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis.

d) a. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) (other than subsidiaries) with the understanding (whether recorded in writing or otherwise) that the Group shall:

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

b. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) (other than subsidiaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

NOTE [64]

There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2026.

NOTE [65]

Figures for the previous year have been regrouped/re-classified to conform to the figures of the current year.

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013]

₹ crore

Sr. No.	Sr. No.	1	2	3	4	5	6
	Particulars	Hi-Tech Rock Products and Aggregates Limited	L&T Geostructure Private Limited	LTM Limited [a]	L&T Technology Services Limited	L&T Thales Technology Services Private Limited	L&T Network Services Private Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–	–
	Date of incorporation	01-Jan-08	25-Nov-20	23-Dec-96	14-Jun-12		07-Dec-22
	Date of Acquisition					15-Feb-14	
1	Share capital (including share application money pending allotment)	26.55	25.00	29.65	21.20	2.05	25.00
2	Other equity/Reserves and surplus (as applicable)	(0.46)	551.84	22838.90	5905.90	71.50	(6.69)
3	Liabilities	70.03	1007.66	12323.35	3765.40	12.94	2.90
4	Total equity and liabilities	96.12	1584.50	35191.90	9692.50	86.49	21.21
5	Total assets	96.12	1584.50	35191.90	9692.50	86.49	21.21
6	Investments	11.53	–	13179.50	2845.70	44.19	–
7	Turnover	88.38	1,335.23	40482.20	9207.10	48.75	1.86
8	Profit before taxation	1.85	75.20	6639.35	1643.50	10.05	(4.39)
9	Provision for taxation	–	26.67	1705.60	437.35	2.57	(0.10)
10	Profit after taxation	1.85	48.53	4933.75	1206.15	7.48	(4.29)
11	Interim dividend - equity	–	–	(652.29)	(190.78)	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	(1571.41)	(423.99)	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	100.00	100.00	68.53	73.57	54.44	100.00

Sr. No.	Sr. No.	7	8	9	10	11	12
	Particulars	L&T Finance Limited	L&T Infra Investment Partners Advisory Private Limited	L&T Infra Investment Partners Trustee Private Limited	L&T Financial Consultants Limited	L&T Metro Rail (Hyderabad) Limited	L&T Himachal Hydropower Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–	–
	Date of incorporation	01-May-08	30-May-11	12-Aug-11	16-Jun-11	24-Aug-10	22-Jun-10
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	2504.39	5.00	0.10	27.75	7413.00	200.55
2	Other equity/Reserves and surplus (as applicable)	25328.89	24.20	0.01	257.17	(7348.34)	(202.77)
3	Liabilities	114109.23	2.06	0.01	63.10	15592.07	2.32
4	Total equity and liabilities	141942.51	31.26	0.12	348.02	15656.73	0.10
5	Total assets	141942.51	31.26	0.12	348.02	15656.73	0.10
6	Investments	10632.51	28.93	–	5.28	92.13	–
7	Turnover	18049.65	1.73	0.03	59.70	1007.93	–
8	Profit before taxation	4106.37	0.42	–	39.23	(743.12)	(0.12)
9	Provision for taxation	1006.06	0.61	–	8.63	–	–
10	Profit after taxation	3100.31	(0.19)	–	30.60	(743.12)	(0.12)
11	Interim dividend - equity	–	–	–	(149.85)	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	(688.71)	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	65.99	65.99	65.99	65.99	99.99	100.00

[a] formerly known as LTIMindtree Limited

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

₹ crore

Sr. No.	Sr. No.	13	14	15	16	17	18
	Particulars	L&T Power Development Limited	Nabha Power Limited	Chennai Vision Developers Private Limited	Elante Properties Private Limited	L&T Realty Developers Limited	L&T Realty Properties Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–	–
	Date of incorporation	12-Sep-07	09-Apr-07	14-Aug-08	25-Jan-22	29-Jul-97	13-Mar-08
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	2289.66	2325.00	0.01	0.01	167.16	2362.23
2	Other equity/Reserves and surplus (as applicable)	413.46	3085.52	(0.07)	276.30	1463.22	549.71
3	Liabilities	159.09	4371.46	0.07	507.63	1076.62	547.98
4	Total equity and liabilities	2862.21	9781.98	0.01	783.94	2707.00	3459.92
5	Total assets	2862.21	9781.98	0.01	783.94	2707.00	3459.92
6	Investments	154.91	696.63	–	–	0.21	1024.86
7	Turnover	–	4203.51	–	13.96	203.18	1041.26
8	Profit before taxation	(1.62)	339.71	(0.01)	(10.43)	174.95	333.46
9	Provision for taxation	(17.40)	–	–	(2.33)	33.44	139.97
10	Profit after taxation	15.78	339.71	(0.01)	(8.10)	141.51	193.49
11	Interim dividend - equity	(3.30)	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	100.00	100.00	100.00	100.00	100.00	100.00

Sr. No.	Sr. No.	19	20	21	22	23	24
	Particulars	Prime Techpark (Chennai) Private Limited	L&T Construction Equipment Limited	L&T Valves Limited	Bhilai Power Supply Company Limited	L&T Energy Green tech Limited	L&T Aviation Services Private Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–	–
	Date of incorporation	24-Mar-23	18-Dec-18	23-Nov-61	11-Jul-95	09-Mar-06	06-Nov-09
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	0.05	199.14	18.00	0.05	492.05	45.60
2	Other equity/Reserves and surplus (as applicable)	(0.07)	10.86	526.32	–	(79.33)	(8.29)
3	Liabilities	0.07	78.02	682.06	1.06	259.33	5.14
4	Total equity and liabilities	0.05	288.02	1226.38	1.11	672.05	42.45
5	Total assets	0.05	288.02	1226.38	1.11	672.05	42.45
6	Investments	–	–	24.75	–	293.07	–
7	Turnover	–	239.50	1567.48	–	20.93	26.98
8	Profit before taxation	(0.01)	13.84	341.50	–	(36.62)	(0.36)
9	Provision for taxation	–	4.26	72.31	–	–	(0.05)
10	Profit after taxation	(0.01)	9.58	269.19	–	(36.62)	(0.31)
11	Interim dividend - equity	–	–	(267.00)	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	(8.96)	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	100.00	100.00	100.00	99.90	100.00	100.00

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

₹ crore

Sr. No.	Sr. No.	25	26	27	28	29	30
	Particulars	L&T Capital Company Limited	Millennium Techpark (Chennai) Private Limited	Chennai Nova Techpark Private Limited	Bangalore Galaxy Techpark Private Limited	Business Park (Powai) Private Limited	Corporate Park (Powai) Private Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–	–
	Date of incorporation	06-Apr-00	30-Apr-23	17-Apr-23	13-Apr-23	20-Apr-23	01-May-23
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	0.05	0.05	0.05	0.05	286.53	200.33
2	Other equity/Reserves and surplus (as applicable)	3.07	(0.03)	(0.03)	(0.01)	(4.92)	(0.47)
3	Liabilities	0.02	0.02	0.02	–	667.80	201.35
4	Total equity and liabilities	3.14	0.04	0.04	0.04	949.41	401.21
5	Total assets	3.14	0.04	0.04	0.04	949.41	401.21
6	Investments	–	–	–	–	–	–
7	Turnover	–	–	–	–	–	–
8	Profit before taxation	0.16	(0.01)	(0.01)	–	(4.84)	(0.27)
9	Provision for taxation	0.02	–	–	–	(1.21)	0.05
10	Profit after taxation	0.14	(0.01)	(0.01)	–	(3.63)	(0.32)
11	Interim dividend - equity	(1.40)	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	100.00	100.00	100.00	100.00	100.00	100.00

Sr. No.	Sr. No.	31	32	33	34	35	36
	Particulars	L&T Electrolysers Limited	LH Residential Housing Private Limited	L&T Semiconductor Technologies Limited	LH Uttarayan Premium Realty Private Limited	L&T - MHI Power Boilers Private Limited	L&T - MHI Power Turbine Generators Private Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–	–
	Date of incorporation	27-Jun-23	31-Jul-23	23-Nov-23	17-Feb-24	09-Oct-06	27-Dec-06
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	293.05	0.10	859.00	0.05	234.10	710.60
2	Other equity/Reserves and surplus (as applicable)	(116.28)	(92.00)	(560.11)	(0.09)	949.70	(451.25)
3	Liabilities	154.83	1545.05	234.76	0.08	3090.52	1320.34
4	Total equity and liabilities	331.60	1453.15	533.65	0.04	4274.32	1579.69
5	Total assets	331.60	1453.15	533.65	0.04	4274.32	1579.69
6	Investments	–	–	–	–	190.51	238.21
7	Turnover	4.25	0.46	13.52	–	1358.40	601.73
8	Profit before taxation	(47.90)	(40.02)	(354.39)	–	(449.05)	(54.11)
9	Provision for taxation	–	(10.07)	0.02	0.02	(110.90)	–
10	Profit after taxation	(47.90)	(29.95)	(354.41)	(0.02)	(338.15)	(54.11)
11	Interim dividend - equity	–	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	100.00	100.00	100.00	100.00	51.00	51.00

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

₹ crore

Sr. No.	Sr. No.	37	38	39	40	41	42
	Particulars	L&T Howden Private Limited	L&T-Sargent & Lundy Limited	L&T MBDA Missile Systems Limited	L&T Offshore Marine Private Limited [b]	Raykal Aluminium Company Private Limited	LTH Milcom Private Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–	–
	Date of incorporation	17-Jun-10	05-May-95	05-Apr-17	02-Sep-10	23-Feb-99	17-Aug-15
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	30.00	5.57	1.00	236.85	0.05	0.20
2	Other equity/Reserves and surplus (as applicable)	164.30	132.75	191.19	41.46	(0.94)	(0.21)
3	Liabilities	180.10	72.40	1.36	280.25	0.90	25.96
4	Total equity and liabilities	374.40	210.72	193.55	558.56	0.01	25.95
5	Total assets	374.40	210.72	193.55	558.56	0.01	25.95
6	Investments	81.29	122.47	–	–	–	–
7	Turnover	218.36	293.71	–	121.32	–	–
8	Profit before taxation	43.88	129.93	2.61	(37.90)	(0.01)	–
9	Provision for taxation	11.17	19.85	0.17	0.04	–	–
10	Profit after taxation	32.71	110.08	2.44	(37.94)	(0.01)	–
11	Interim dividend - equity	–	(46.75)	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	(37.84)	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	50.10	50.00	51.00	100.00	75.50	56.67

Sr. No.	Sr. No.	43	44	45	46	47
	Particulars	Intelliswift Software (India) Private Limited	L&T Special Steels and Heavy Forgings Private Limited	Sufin Limited	L&T Green Energy Kandla Private Limited [c]	Panipat Green Hydrogen Private Limited [c]
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	INR	INR	INR	INR	INR
	Exchange rate on the last day of financial year	–	–	–	–	–
	Date of incorporation		01-Jul-09	02-Jan-26	04-Apr-25	30-Jun-25
	Date of Acquisition	03-Jan-25				
1	Share capital (including share application money pending allotment)	0.01	566.60	55.05	0.01	0.01
2	Other equity/Reserves and surplus (as applicable)	76.41	(1960.43)	(1.15)	–	–
3	Liabilities	30.68	2055.79	1.15	–	–
4	Total equity and liabilities	107.10	661.96	55.05	0.01	0.01
5	Total assets	107.10	661.96	55.05	0.01	0.01
6	Investments	30.10	–	–	–	–
7	Turnover	205.67	727.04	–	–	–
8	Profit before taxation	29.19	545.31	(0.05)	–	–
9	Provision for taxation	6.76	–	–	–	–
10	Profit after taxation	22.43	545.31	(0.05)	–	–
11	Interim dividend - equity	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–
15	% of share holding	73.57	100.00	100.00	100.00	100.00

[b] formerly known as L&T Sapura Shipping Private Limited

[c] yet to commence operations

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

₹ crore

Sr. No.	Sr. No.	48	49	50	51	52	53
	Particulars	Larsen & Toubro (Oman) LLC	Larsen & Toubro Qatar LLC	Larsen & Toubro Saudi Arabia LLC [d]	Larsen & Toubro T&D SA (Proprietary) Limited	Larsen & Toubro (East Asia) Sdn. Bhd.	PT Larsen and Toubro
	Financial year ending on	31-Dec-25	31-Dec-25	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	OMR	QAR	SAR	ZAR	MYR	IDR
	Exchange rate on the last day of financial year	233.43	24.59	25.27	5.52	23.55	0.01
	Date of incorporation	21-Jan-94	31-Mar-04	22-Jun-99	06-Sep-10	13-Jun-96	17-Dec-21
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	34.01	0.49	36.33	4.14	1.77	16.76
2	Other equity/Reserves and surplus (as applicable)	495.02	(1.50)	932.83	(2.84)	42.27	1.72
3	Liabilities	1596.11	7.01	10975.61	6.60	92.26	5.25
4	Total equity and liabilities	2125.14	6.00	11944.76	7.90	136.30	23.73
5	Total assets	2125.14	6.00	11944.76	7.90	136.30	23.73
6	Investments	–	0.25	836.24	–	–	–
7	Turnover	3113.69	–	19888.06	2.59	491.42	0.31
8	Profit before taxation	230.10	(0.01)	206.14	(3.35)	21.35	8.92
9	Provision for taxation	18.68	–	62.98	–	5.13	–
10	Profit after taxation	211.42	(0.01)	143.16	(3.35)	16.22	8.92
11	Interim dividend - equity	(92.95)	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	(71.80)	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	80.00	49.00	100.00	72.50	30.00	100.00

Sr. No.	Sr. No.	54	55	56	57	58	59
	Particulars	Larsen & Toubro Heavy Engineering LLC	L&T Modular Fabrication Yard LLC	Larsen Toubro Arabia LLC	L&T Hydrocarbon Saudi Company	Larsen & Toubro Kuwait Construction General Contracting Company WLL	Larsen & Toubro Electromech LLC
	Financial year ending on	31-Dec-25	31-Dec-25	31-Dec-25	31-Dec-25	31-Dec-25	31-Dec-25
	Currency	OMR	OMR	SAR	SAR	KWD	OMR
	Exchange rate on the last day of financial year	233.43	233.43	23.97	23.97	291.86	233.43
	Date of incorporation	07-Apr-08	05-Jul-06	01-Jul-12	08-Jul-07	29-Nov-06	
	Date of Acquisition						01-Jan-05
1	Share capital (including share application money pending allotment)	132.24	67.33	23.97	2.40	58.37	7.00
2	Other equity/Reserves and surplus (as applicable)	(133.24)	251.69	293.64	(516.87)	(48.22)	(27.91)
3	Liabilities	2.26	667.12	2978.29	8821.15	5.76	60.67
4	Total equity and liabilities	1.26	986.14	3295.90	8306.68	15.91	39.76
5	Total assets	1.26	986.14	3295.90	8306.68	15.91	39.76
6	Investments	–	–	1307.32	2173.92	–	–
7	Turnover	–	2878.11	7221.53	18027.23	2.94	–
8	Profit before taxation	181.99	153.80	243.00	150.76	0.76	0.21
9	Provision for taxation	–	12.26	17.18	24.74	–	(0.08)
10	Profit after taxation	181.99	141.54	225.82	126.02	0.76	0.29
11	Interim dividend - equity	–	(285.99)	–	–	–	(79.82)
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	70.00	70.00	75.00	100.00	49.00	70.00

[d] change in accounting year, financial parameters presented for 15 months

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

₹ crore

Sr. No.	Sr. No.	60	61	62	63	64	65
	Particulars	LTIMindtree Information Technology Services (Shanghai) Co., Ltd.	LTIMindtree Financial Services Technologies Inc.	LTIMindtree Canada Limited	LTIMindtree South Africa (PTY) Limited	LTIMindtree GmbH	LTIMindtree Norge AS
	Financial year ending on	31-Dec-25	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	CNY	CAD	CAD	ZAR	EURO	NOK
	Exchange rate on the last day of financial year	13.71	68.15	68.15	5.52	109.00	9.69
	Date of incorporation	28-Jun-13				14-Jun-99	20-Nov-18
	Date of Acquisition		01-Jan-11	25-Apr-00	25-Jul-12		
1	Share capital (including share application money pending allotment)	1.09	97.80	–	0.22	0.90	0.03
2	Other equity/Reserves and surplus (as applicable)	6.95	678.13	191.64	38.08	536.46	21.62
3	Liabilities	19.06	99.70	75.46	6.43	57.14	13.30
4	Total equity and liabilities	27.10	875.63	267.10	44.73	594.50	34.95
5	Total assets	27.10	875.63	267.10	44.73	594.50	34.95
6	Investments	–	–	–	–	302.00	–
7	Turnover	80.73	504.17	1068.10	45.93	608.50	52.10
8	Profit before taxation	4.94	198.03	51.63	13.42	8.15	1.34
9	Provision for taxation	4.24	52.20	13.64	3.59	4.02	0.38
10	Profit after taxation	0.70	145.83	37.99	9.83	4.13	0.96
11	Interim dividend - equity	–	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	68.53	68.53	68.53	47.68	68.53	68.53

Sr. No.	Sr. No.	66	67	68	69	70	71
	Particulars	LTIMindtree S.De. RL. De. C.V	LTIMindtree S.A.	LTIMindtree PSF S.A.	LTIMindtree Switzerland AG	LTIMindtree (Thailand) Limited	LTIMindtree USA Inc
	Financial year ending on	31-Dec-25	31-Dec-25	31-Dec-25	31-Dec-25	31-Dec-25	31-Mar-26
	Currency	MXN	EURO	EURO	CHF	THB	USD
	Exchange rate on the last day of financial year	5.04	109.00	109.00	118.57	2.89	94.84
	Date of incorporation	01-Mar-17					
	Date of Acquisition		15-Dec-17	15-Dec-17	01-Mar-19	01-Mar-19	29-Aug-19
1	Share capital (including share application money pending allotment)	–	0.40	3.19	0.72	0.23	0.60
2	Other equity/Reserves and surplus (as applicable)	29.40	(124.80)	24.34	(9.74)	(5.67)	(3.58)
3	Liabilities	35.30	157.50	32.78	23.08	7.28	49.78
4	Total equity and liabilities	64.70	33.10	60.31	14.06	1.84	46.80
5	Total assets	64.70	33.10	60.31	14.06	1.84	46.80
6	Investments	–	3.20	–	–	–	50.90
7	Turnover	138.66	170.97	99.42	40.77	2.47	154.73
8	Profit before taxation	8.07	(63.92)	(7.08)	(7.76)	3.50	1.28
9	Provision for taxation	4.04	5.45	(0.71)	(0.42)	–	0.30
10	Profit after taxation	4.04	(69.37)	(6.37)	(7.39)	3.50	0.98
11	Interim dividend - equity	–	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	68.53	68.53	68.53	68.53	68.53	68.53

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

₹ crore

Sr. No.	Sr. No.	72	73	74	75	76	77
	Particulars	L&T Technology Services LLC	L&T Technology Services Pte. Ltd.	Graphene Solutions SDN. BHD.	Graphene Solutions Taiwan Limited	L&T Technology Services (Shanghai) Co. Ltd.	LTIMindtree UK Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Dec-25	31-Dec-25	31-Mar-26
	Currency	USD	SGD	MYR	TWD	CNY	GBP
	Exchange rate on the last day of financial year	94.84	73.53	23.55	2.93	12.87	125.51
	Date of incorporation	26-Jun-14				06-Aug-19	17-Aug-20
	Date of Acquisition		15-Oct-18	15-Oct-18	15-Oct-18		
1	Share capital (including share application money pending allotment)	300.40	0.30	0.17	1.47	4.47	0.01
2	Other equity/Reserves and surplus (as applicable)	1097.17	(0.16)	(0.09)	(1.68)	2.64	131.57
3	Liabilities	176.90	0.12	–	9.22	0.10	393.53
4	Total equity and liabilities	1574.47	0.26	0.09	9.01	7.21	525.10
5	Total assets	1574.47	0.26	0.09	9.01	7.21	525.10
6	Investments	877.02	–	–	–	–	–
7	Turnover	1155.27	–	–	–	0.97	1700.36
8	Profit before taxation	43.81	(0.15)	(0.01)	(0.35)	(0.29)	49.20
9	Provision for taxation	(0.96)	–	–	–	–	12.40
10	Profit after taxation	44.77	(0.15)	(0.01)	(0.35)	(0.29)	36.84
11	Interim dividend - equity	–	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	73.57	73.57	73.57	73.57	73.57	68.53

Sr. No.	Sr. No.	78	79	80	81	82	83
	Particulars	LTIMindtree Middle East FZ-LLC	L&T Technology Services (Canada) Ltd	L&T Valves Arabia Manufacturing LLC	L&T Valves USA LLC	Larsen & Toubro International FZE	L&T Global Holdings Limited
	Financial year ending on	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Currency	AED	CAD	SAR	USD	USD	USD
	Exchange rate on the last day of financial year	25.82	68.15	25.27	94.84	94.84	94.84
	Date of incorporation	25-Nov-20	20-Aug-19	25-Sep-01	28-May-19	25-Sep-01	24-Feb-16
	Date of Acquisition						
1	Share capital (including share application money pending allotment)	3.70	0.04	25.27	4.74	162.17	75.87
2	Other equity/Reserves and surplus (as applicable)	60.44	(3.34)	(22.18)	3.46	2745.91	677.24
3	Liabilities	169.26	5.43	122.19	16.06	9310.47	0.04
4	Total equity and liabilities	233.40	2.13	125.28	24.26	12218.55	753.15
5	Total assets	233.40	2.13	125.28	24.26	12218.55	753.15
6	Investments	–	–	–	–	4674.76	751.77
7	Turnover	440.89	1.30	207.32	31.55	10325.07	–
8	Profit before taxation	13.82	(0.48)	8.52	1.37	1599.63	531.58
9	Provision for taxation	2.40	–	1.95	0.32	217.96	–
10	Profit after taxation	11.42	(0.48)	6.57	1.05	1381.67	531.58
11	Interim dividend - equity	–	–	–	–	(547.99)	(547.52)
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	68.53	73.57	100.00	100.00	100.00	100.00

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

₹ crore

Sr. No.	Sr. No.	84	85	86	87	88	89
	Particulars	Hydrocarbon Arabia Limited Company	L&T Technology Services Poland spółka z ograniczoną odpowiedzialnością	Larsen & Toubro CIS Foreign Enterprise Limited Liability Company	LTIMindtree Consulting Brazil Ltda	Intelliswift Software Inc.	LTIM Aramco Digital Solutions for Information Technology
	Financial year ending on	31-Dec-25	31-Mar-26	31-Dec-25	31-Dec-25	31-Mar-26	31-Mar-26
	Currency	SAR	PLN	UZS	BRL	USD	SAR
	Exchange rate on the last day of financial year	23.97	25.16	0.01	18.03	94.84	25.27
	Date of incorporation	19-Jun-23	30-Oct-23	10-Jul-24	26-Sep-24		22-Nov-24
	Date of Acquisition					03-Jan-25	
1	Share capital (including share application money pending allotment)	6.95	0.01	–	8.50	70.46	212.88
2	Other equity/Reserves and surplus (as applicable)	(21.08)	–	0.01	3.00	(9.79)	(68.11)
3	Liabilities	15.82	(0.01)	0.53	12.80	135.15	173.23
4	Total equity and liabilities	1.69	–	0.54	24.30	195.82	318.00
5	Total assets	1.69	–	0.54	24.30	195.82	318.00
6	Investments	–	–	–	–	0.14	–
7	Turnover	–	–	0.28	47.31	857.08	125.06
8	Profit before taxation	(2.62)	–	0.02	2.34	52.01	(78.20)
9	Provision for taxation	–	–	0.01	0.83	16.08	–
10	Profit after taxation	(2.62)	–	0.01	1.51	35.93	(78.20)
11	Interim dividend - equity	–	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–	–
15	% of share holding	60.00	73.57	100.00	68.64	73.57	34.95

Sr. No.	Sr. No.	90	91	92	93	94
	Particulars	Intelliswift Software (Costa Rica) Limitada	Global Infotech Corporation	Intelliswift Software (Canada) Inc.	Intelliswift Software (Hungary) Kft	P. Murphy & Associates, Inc.
	Financial year ending on	31-Mar-26	31-Mar-26	31-Dec-25	31-Dec-25	31-Mar-26
	Currency	USD	USD	CAD	HUF	USD
	Exchange rate on the last day of financial year	94.84	94.84	65.59	0.27	94.84
	Date of incorporation					
	Date of Acquisition	03-Jan-25	03-Jan-25	03-Jan-25	03-Jan-25	03-Jan-25
1	Share capital (including share application money pending allotment)	–	–	–	0.10	–
2	Other equity/Reserves and surplus (as applicable)	(0.15)	44.36	3.25	0.73	47.64
3	Liabilities	6.10	4.12	0.94	19.68	0.24
4	Total equity and liabilities	5.95	48.48	4.19	20.51	47.88
5	Total assets	5.95	48.48	4.19	20.51	47.88
6	Investments	–	–			
7	Turnover	2.82	60.93	13.02	0.57	3.62
8	Profit before taxation	0.31	23.92	3.17	(0.25)	(2.62)
9	Provision for taxation	–	–	0.84	0.01	–
10	Profit after taxation	0.31	23.92	2.33	(0.23)	(2.62)
11	Interim dividend - equity	–	–	–	–	–
12	Interim dividend - preference	–	–	–	–	–
13	Proposed dividend - equity	–	–	–	–	–
14	Proposed dividend - preference	–	–	–	–	–
15	% of share holding	73.57	73.57	73.57	73.57	73.57

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part A: "Subsidiaries" [as per Section 2(87) of the Companies Act, 2013] *(contd.)*

Notes:

A) Names of subsidiaries which have been merged/sold/dissolved/struck-off.

(1) Merged:-

a) Siliconch Systems Private Limited- Amalgamated into L&T Semiconductor Technologies Limited a Wholly Owned Subsidiary of Larsen & Tourbo Limited w.e.f. March 24, 2026

(2) struck off:-

a) Nielsen+Partner Pte. Ltd.

(3) Dissolved:-

a) LTIMindtree Spain, S.L

b) Syncordis Limited UK

B) Names of subsidiaries which are yet to commence operations:

a) L&T Energy Offshore Wind B.V

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Part B: "Associates/Joint ventures"

Sr No.	Sr. No.	1	2	3	4	5	6	7	8
	Name Of Associates	Grameen Capital India Private Limited	L&T Camp Facilities LLC *	Larsen & Toubro Qatar & HBK Contracting Co. WLL *	Magtorq Private Limited	Indiran Engineering Projects and Systems Kish PJSC	GH4India Private Limited	Gujarat Leather Industries Limited	E2E Networks Limited
1	Latest audited balance sheet date	31-Mar-25	31-Dec-21	31-Dec-24	31-Mar-26	Refer Note 2	31-Mar-26		31-Mar-26
2	Date on which the associate or joint venture was associated or acquired	05-Jun-15	13-Sep-07	28-Jul-04	02-Aug-10	31-Oct-09	25-Aug-23	27-Jun-91	04-Dec-24
3	Shares of associate/joint ventures held by the company at the year end								
	Number	2,126,000	2,450	100	9,000	875	1,000,000	735,000	3,793,329
	Amount of investment in associates/joint venture (₹ Crore)	6.00	4.29	0.18	4.42	0.39	1.00	–	1288.39
	Total share capital (₹ Crore)	12.05	5.43	0.25	0.21	0.78	3.00	–	20.56
	Reserves closing	(5.75)	(5.43)	(10.37)	19.99	(0.53)	(7.56)	–	1664.50
	Total No of shares	8,177,887	5,000	200	21,003	1,750	3,000,000	Refer Note 3	20,556,500
	Extent of holding % (Effective)	17.16%	49.00%	50.00%	42.85%	50.00%	33.33%	50.00%	18.45%
4	Description of how there is significant influence	No Significant influence as per Ind AS 28	← Refer Note 1 →						
5	Reason why the associate/joint venture is not consolidated							Refer Note 3	
6	Net worth attributable to shareholding as per latest audited balance sheet (₹ Crore)	–	–	(5.06)	8.66	0.12	(1.52)	–	310.89
7	Profit/(Loss) for the year (₹ Crore)								
	Considered in consolidation	–	–	–	0.74	0.04	(0.06)	–	(15.57)
	Not considered in consolidation	–	–	–	–	–	–	–	–

* The entities are in the process of liquidation.

Notes:

1. Significant influence is demonstrated by holding 20% or more of the total voting power, or control of or participation in business decisions under an agreement of the investee.
2. The Incorporated joint venture is not required to be audited as per regulatory laws in Iran. Hence the management certified accounts have been considered for consolidation.
3. The associate company is under liquidation process and investment is fully provided in the accounts.

For and on behalf of the Board of Directors of Larsen & Toubro Limited

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

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

P. R. RAMESH
Independent Director
(DIN 01915274)

SUBRAMANIAN NARAYAN
Company Secretary & Compliance Officer
(Membership No. ACS16354)

Mumbai, May 5, 2026

LARSEN & TOUBRO

Project Unnati - securing water, harvesting hope

Strengthening water access for over 30,000 households, impacting around 46,000 hectares of land



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LARSEN & TOUBRO LIMITED

CIN : L99999MH1946PLC004768
Regd. Office : L&T House, Ballard Estate, Mumbai 400 001.
Tel. No.: (022) 6752 5656, Fax No.: (022) 6752 5858
Email: IGRC@Larsentoubro.com, Website: www.larsentoubro.com

Dear Shareholder,

Date: May 14, 2026

We are privileged to have you as our shareholder. It has been our constant endeavour to improve the services to our Investors and in this pursuit, we are sending you this Feedback Form, which is a self addressed prepaid Inland letter. We request you to kindly spare some time and return the same to us duly completed. We look forward to your feedback/valuable suggestions.

Thanking you,

Yours faithfully,

For **LARSEN & TOUBRO LIMITED**

Subramanian Narayan
Company Secretary & Compliance Officer

SHAREHOLDER'S FEEDBACK FORM

Name and address of the shareholder	Phone No: (with STD code)
	E-maii ID:
	Folio No./DP ID & Client ID

Shareholders Satisfaction Survey Questionnaire

(please ✓ the appropriate box)

A. Do you perceive the Company as creating shareholder value in the:

(i) Short Term or Yes ☐ No ☐

(ii) Long Term or Yes ☐ No ☐

(iii) Both Yes ☐ No ☐

B. Are you satisfied with the growth strategy of the Company?

Yes ☐ No ☐ Not aware ☐

		Excellent	Good	Poor*	Not experienced
C.	Please rate the contents and quality of Integrated Annual Report				
D.	Please rate the contents and quality of the website of the Company				
E.	Arrangements related to last year AGM				
F.	Quality and accuracy of response to your queries and complaints: - by Company				
	- by Registrar				
G.	Timeliness of response form - the Company				
	- the Registrar				
H.	Please rate the hospitality and efficiency of the persons attending to you when you interact with - Investors Relation Cell				
	- Office of Registrars				
I.	Overall quality of service provided by - the Company				
	- the Registrar				

* Kindly let us know your experience in space provided overleaf

J. Do you have any grievance which has not been redressed Yes ☐ No ☐

Signature

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Postage will be paid by addresssee

BUSINESS REPLY LETTER

No Postage stamp necessary if posted in India

B. R. PERMIT No.: MBI GPO - 0049
Mumbai G.P.O.
Mumbai - 400 001.

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Larsen & Toubro Limited
Secretarial Department
L&T House, Ballard Estate,
Mumbai - 400 001.

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First Fold

* In case your response to any question overleaf is "Poor", kindly share your experience and let us know the reason/ instances to enable us to investigate the matter.

In case of any queries, kindly contact our Registrar:

KFin Technologies Limited
Unit: Larsen & Toubro Limited
Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana, India - 500 032.
Toll free number: 1-800-3094-001 • Email: einward.ris@kfintech.com

AWARDS & RECOGNITION



Every year, L&T and its people receive a number of national and international awards that acknowledge its varied accomplishments. Presented by the media, industry associations, independent bodies and academia, they honour the Company's contribution in various spheres of business, technology, financial performance, growth and environmental protection.

For details of recent awards, please visit **www.Larsentoubro.com**

Our story began with a leap. And a vision.
Building the foundations for the future.
Exploring the frontiers of space, powering nations.
It continues leap by leap. Setting the bar ever higher.