

SEC/POSTAL BALLOT/2023

May 22, 2023

BSE Limited Phiroze Jeebhoy Towers, Dalal Street, MUMBAI - 400 001 STOCK CODE: 500510	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No.C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai - 400 051 STOCK CODE: LT
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Dear Sirs,

Sub : Submission of Postal Ballot Notice

Please find attached Postal Ballot Notice (including instructions for e-voting) seeking approval of Members through e-voting only (Voting through Electronic means) for the following proposals:

1. Appointment of Mr. Jyoti Sagar (DIN: 00060455) as an Independent Director of the Company;
2. Appointment of Mr. Rajnish Kumar (DIN: 05328267) as an Independent Director of the Company;
3. Entering into material related party transaction(s) with Larsen Toubro Arabia LLC.

The details of the calendar of events for the Postal Ballot are as follows:

Sr.No.	Event	Date
1	Voting rights reckoning date/ Cut-off date	May 19, 2023
2	Last Date of Completion of dispatch of Postal Ballot Notice	May 22, 2023
3	Voting Period Start Date & Time	May 23, 2023, 9.00 a.m.
4	Voting Period End Date & Time	June 21, 2023, 5.00 p.m.
5	Date of Submission of Scrutinizer's Report	On or before June 23, 2023
6	Date of Announcement of Results of Postal Ballot	On or before June 23, 2023

Please take the above intimation on records and acknowledge the receipt of the same.

Thanking you,

Yours faithfully,
For LARSEN & TOUBRO LIMITED

**SIVARAM NAIR
COMPANY SECRETARY
(FCS 3939)**

Encl. as above



LARSEN & TOUBRO LIMITED

Registered Office: L&T House, Ballard Estate, Mumbai-400001

Tel No.: 022-67525656 **Fax No.:** 022-67525858

Website: www.larsentoubro.com **Email:** IGRC@larsentoubro.com

CIN: L99999MH1946PLC004768

POSTAL BALLOT NOTICE

Dear Members,

Notice is hereby given that pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, (“**the Rules**”) including any statutory modifications or re-enactments thereof for the time being in force as amended from time to time, read with the General Circular No. 11/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (“**MCA**”), in continuation to the circulars issued earlier in this regard (“**MCA Circulars**”), applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Listing Regulations**”) and pursuant to other applicable laws and regulations, approval of the Members is sought via Postal Ballot through e-voting only (Voting through Electronic means) for the following:

- 1. Appointment of Mr. Jyoti Sagar (DIN: 00060455) as an Independent Director of the Company;**
- 2. Appointment of Mr. Rajnish Kumar (DIN: 05328267) as an Independent Director of the Company;**
- 3. Entering into material related party transaction(s) with Larsen Toubro Arabia LLC.**

Members’ consent is sought for the proposals contained in the resolutions given in this Postal Ballot Notice. The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Act, pertaining to the said resolutions setting out the material facts and the related particulars, is annexed hereto. The Notice will also be placed on the website of the Company at www.larsentoubro.com and the website of Central Depository Services (India) Limited (“**CDSL**”) at www.evotingindia.com. The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively.

In compliance with the aforesaid MCA Circulars, Regulation 44 of the Listing Regulations and the provisions of Sections 108, 110 and other applicable provisions of the Act read with Rule 20 and 22 of the Rules as amended from time to time and Secretarial Standard - 2 on General Meetings, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or Depositories or Depository Participants or the Company’s Registrar and Share Transfer Agent (RTA) - KFin Technologies Limited (“**KFintech**”). The Company has provided e-voting facility to its Members to cast their vote electronically. The instructions for e-voting are appended to this Postal Ballot Notice.

The Company has appointed Mr. S. N. Ananthasubramanian, Practicing Company Secretary, (Membership No. FCS 4206, COP No. 1774) or failing him, Mrs. Aparna Gadgil, Practicing Company Secretary (Membership No. ACS 14713, COP No. 8430), to act as the Scrutinizer for conducting the Postal Ballot in a fair and transparent manner in accordance with the provisions of the Act and the Rules made thereunder.

Please note that there will be no dispatch of physical copies of the Notice or Postal Ballot Forms to the Members of the Company and no physical ballot forms will be accepted.

The members shall exercise their right to vote on the resolution included in the notice of the Postal Ballot by electronic means i.e. through e-voting services provided by CDSL. The e-voting period shall commence on **Tuesday, May 23, 2023 at 09.00 A.M. IST** and end on **Wednesday, June 21, 2023 at 05.00 P.M. IST**. Members are requested to carefully read the instructions given in this Postal Ballot Notice and record their assent (FOR) or dissent (AGAINST) through the e-voting process not later than 05.00 P.M. IST on **Wednesday, June 21, 2023**. E-voting will be blocked by CDSL immediately thereafter and voting will not be allowed beyond the said date and time.

The Scrutinizer will submit his report to the Chairman or in his absence, any other person authorised by him, after completion of scrutiny of the votes. The results of the voting by Postal Ballot (through e-voting process) along with the Scrutinizer's report will be announced by the Chairman of the Company or any other person authorized by him, on or before **Friday, June 23, 2023**. The results of the Postal Ballot will be posted on the Company's website at www.larsentoubro.com and the website of CDSL at www.evotingindia.com and will be displayed on the notice board of the Company at its Registered Office. The results will also be intimated to NSE and BSE, where the equity shares of the Company are listed.

Resolutions:

1. APPOINTMENT OF MR. JYOTI SAGAR (DIN: 00060455) AS AN INDEPENDENT DIRECTOR:

To consider and, if thought fit, to pass as a **Special Resolution** the following:

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act'), Companies (Appointment and Qualification of Directors) Rules, 2014 and such other rules, as may be applicable (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other applicable regulations, Mr. Jyoti Sagar (DIN: 00060455), who was appointed as an Additional Director with effect from May 10, 2023 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company 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 Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, with effect from May 10, 2023 upto March 18, 2028.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

2. APPOINTMENT OF MR. RAJNISH KUMAR (DIN: 05328267) AS AN INDEPENDENT DIRECTOR:

To consider and, if thought fit, to pass as a **Special Resolution** the following:

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act'), Companies (Appointment and Qualification of Directors) Rules, 2014 and such other rules, as may be applicable (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other applicable regulations, Mr. Rajnish Kumar (DIN: 05328267), who was appointed as an Additional Director with effect from May 10, 2023 pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company 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 Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a period of five years commencing from May 10, 2023 to May 9, 2028.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

3. APPROVAL FOR ENTERING INTO MATERIAL RELATED PARTY TRANSACTION(S) WITH LARSEN TOUBRO ARABIA LLC:

To consider and, if thought fit, to pass as an **Ordinary Resolution** the following:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the applicable provisions of the Companies Act, 2013 alongwith the Rules made thereunder and other applicable laws including any amendments, modifications, variations or re-enactments thereof, the Company’s Policy on Related Party Transactions and as per the recommendation/approval of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company for providing Parent Company Guarantees or Corporate Guarantees or Comfort Letters or Undertakings, on behalf of Larsen Toubro Arabia LLC, subsidiary of the Company and a Related Party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, with a validity period not exceeding September 30, 2027, for an amount not exceeding Rs. 2,050 crore or USD 250 Mn, whichever is higher, on such terms and conditions as may be decided by the Board of Directors (including any Committee thereof) of the Company as they may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to delegate all or any of the powers conferred on it to any Committee of Directors and/or Managing/Whole-time Director(s) of the Company and to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved and confirmed in all respects.”

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

Sd/-

SIVARAM NAIR A
COMPANY SECRETARY
(M.NO – F3939)

Place: Mumbai
Date: May 10, 2023

NOTES:

- a) Pursuant to sections 102 and 110 of the Act, an Explanatory Statement setting out material facts and reasons for the proposed resolutions is appended hereto.
- b) In compliance with the MCA Circulars, the Company is sending this Postal Ballot Notice to the Members in electronic form only. Accordingly, the communication of the assent or dissent of the Members would take place through e-voting only.
- c) The Postal Ballot Notice is being sent via email only to the Members of the Company, whose names appear in the Register of Members/the list of Beneficial Owners, as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on **Friday, May 19, 2023** (“**cut-off date**”). Any person who is not a member as on the cut-off date should treat this Postal Ballot Notice for information purposes only.
- d) A copy of this Postal Ballot Notice is also available on the Company’s website www.larsentoubro.com, the 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 website of CDSL at www.evotingindia.com.
- e) Members who have not registered/updated their email IDs so far are requested to register/update the same to receive this Postal Ballot Notice by clicking on this link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> or as per the following procedure:

Physical Holding	Provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by email to einward.ris@KFintech.com and copy to the Company at igrc@larsentoubro.com .
Demat Holding	Provide Demat account details (CDSL - 16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name of shareholder, client master or copy of consolidated account statement, PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by email to einward.ris@KFintech.com and copy to the Company at igrc@larsentoubro.com .

In case of any queries, for registering email address, Members may write to einward.ris@KFintech.com and igrc@larsentoubro.com.

Members are requested that for permanent registration of their e-mail address, they can register their e-mail address, in respect of electronic holdings with their concerned Depository Participants and in respect of physical holdings with the Company’s RTA, KFintech.

Those Members who have already registered their e-mail addresses are requested to get their e-mail addresses validated with their Depository Participants/RTA to enable servicing of notices/documents/Annual Reports and other communications electronically to their email address in future.

- f) After dispatch of the postal ballot notice through email, advertisement shall be published in 1 (one) English daily newspaper and in 1 (one) Marathi Newspaper, each having wide circulation in the district where the registered office of the Company is situated and will also be uploaded on the Company’s website at www.larsentoubro.com.
- g) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on the cut-off date i.e. **Friday, May 19, 2023**.

- h) Once the vote on the resolution is cast by the Members, the Members shall not be allowed to change it subsequently.
- i) Relevant documents referred to in this Postal Ballot Notice will be made available for inspection on the Company's website from the date of commencement of e-voting period i.e. **Tuesday, May 23, 2023** upto the last date of e-voting i.e. **Wednesday, June 21, 2023**.
- j) The last date specified in this notice for e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
- k) Contact details of the person responsible to address the queries/grievances connected with the voting by Postal Ballot including voting by electronic means, if any:
- The Company Secretary, Larsen and Toubro Limited, L&T House, Narottam Morarji Marg, Ballard Estate, Fort, Mumbai - 400001, Tel: 022 6752 5656 ; Email – igrc@larsentoubro.com.
 - In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the 'Help' section of CDSL's website www.evotingindia.com or call on toll free no.: 1800 22 55 33 or send a request to Mr. Rakesh Dalvi, Senior Manager - CDSL at helpdesk.evoting@cdslindia.com.
- l) Members may note that as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, it is mandatory to update PAN, Address, Email ID, Bank account details (KYC details) and Nomination details of shareholders, who have not updated the same with the RTA i.e. KFintech in case of physical shareholding and with Depository Participants (DPs) in case of Demat shareholding. Henceforth, 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. Non-updation of KYC details in Folios, wherein any one of the cited details/documents (i.e. PAN, Bank Details, Nomination) are not available on or after October 01, 2023, shall be frozen by the RTA as per above SEBI Circular.

m) PROCEDURE AND INSTRUCTIONS FOR E-VOTING:

I. FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by listed companies", e-voting process has been enabled to all the Individual demat account holders, by way of single login credential, through their demat accounts/website of Depositories/Depository participants in order to increase efficiency of the voting process.

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 shares in demat mode is given below:

Type of shareholders	Login Method
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 MyEasi username & password.

	<ol style="list-style-type: none"> 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 the 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 e-voting period. Additionally, there is also a 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. 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.
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsd.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. CDSL and you will be re-directed to e-voting website of CDSL for casting your vote during the e-voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: www.evoting.nsd.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 held 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. CDSL and you will be redirected to e-voting website of CDSL for casting your vote during the e-voting period.

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. CDSL and you will be redirected to e-voting website of CDSL for casting your vote during the e-voting period.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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 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 22 55 33
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.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

II. FOR NON-INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE AND SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

Login method for non-individual shareholders holding shares in demat mode and shareholders holding shares in physical form are given below:

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

7) After entering these details appropriately, click on "SUBMIT" tab.

8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting on resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

III. CASTING YOUR VOTE ELECTRONICALLY ON CDSL E-VOTING SYSTEM

- 1) After successful login, click on the Electronic Voting Sequence Number (EVSN) - 230519005 of "Larsen & Toubro Limited".
- 2) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 3) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 4) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 5) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 6) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system. There is also an optional provision to upload Board Resolution/ Power of Attorney, if any uploaded, which will be made available to scrutinizer for verification.

Additional Facility for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Power of Attorney/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer to at scrutinizer@sna.co.net with a copy marked to helpdesk.evoting@cdslindia.com and igrc@larsentoubro.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

IV. GENERAL INSTRUCTIONS/INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
2. In case of any queries, you may refer to ‘Frequently Asked Questions’ (FAQs) or e-voting user manual available in the ‘Help’ section available at CDSL’s website www.evotingindia.com or contact at toll free no. 1800 22 55 33 or send a request addressed to Mr. Rakesh Dalvi, Senior Manager – CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com

EXPLANATORY STATEMENT

As required by Section 102(1) and 110 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the businesses specified in this Notice.

Item No. 1

Appointment of Mr. Jyoti Sagar (DIN: 00060455) as an Independent Director:

On the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors appointed Mr. Jyoti Sagar (DIN: 00060455) as an Additional Director with effect from May 10, 2023 and as an Independent Director of the Company with effect from May 10, 2023 upto March 18, 2028, i.e. upto the age of 75 years, subject to the approval of shareholders.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member, proposing his candidature for the office of Director of the Company.

In the opinion of the Board, Mr. Jyoti Sagar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his appointment as an Independent Director of the Company and is independent of the management.

Mr. Jyoti Sagar is the Chairman and Founder of J. Sagar Associates, Advocates & Solicitors (JSA) and K&S Partners, Intellectual Property Attorneys (K&S). He has been practicing law for over forty-seven years. He graduated with Honours in Economics in 1972 from St. Stephen's College, Delhi. He was also conferred the C.F. Andrews Distinguished Alumnus Award in 2015 by the College. He received his Bachelor's degree in Law in the year 1975 from the University of Delhi. He has also attended the 'Mergers & Acquisition Programme' at the Wharton Business School, University of Pennsylvania.

Mr. Jyoti Sagar has led teams on significant assignments of the firms, providing both hands-on legal advice as well as overall strategic inputs. He has extensive experience in a wide range of practice areas including intellectual property, foreign investment, joint ventures, and technology transfers. He has over the years worked on several policy issues and has been associated with various committees of the Government of India and Chambers of Commerce.

Mr. Sagar is Associate President of the Society of Indian Law Firms. He is one of the International Vice Presidents of the Asian Patent Attorneys Association. He is Co-Chair of the Intellectual Property Committee of the Federation of Indian Chambers of Commerce. He serves on the Executive Committee of the Bar Association of India and the Executive Board of ICC India.

He is actively associated with the voluntary sector. He currently serves as Chairman of the Society for Urban Regeneration of Gurgaon (an NGO which focuses on long-term sustainable development issues for the city of Gurgaon); Trustee of Genesis Foundation (engaged in the provision of critical medical assistance to underprivileged children with congenital heart defects); Trustee of Laj Jagdish Foundation (which supports Sambhav, a centre for differently-abled children from slums of South Delhi); and supports Deepalaya (engaged in the education of slum children in the National Capital Region). He also serves on the Board of Governors of the Scindia School, Gwalior.

The NRC has identified amongst others, leadership capabilities, expertise in governance, legal compliance, finance & risk management, industry knowledge & experience and global experience/international exposure as the skills required for this role.

The NRC and the Board of Directors are of the view that Mr. Sagar possess the requisite skills and capabilities as identified above. Considering the skills, experience and expertise, the NRC and the Board considers that this association would be of immense benefit to the Company and it is desirable to avail services of Mr. Sagar as an Independent Director. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Sagar as an Independent Director, for the approval by the shareholders of the Company.

The draft letter of appointment to be issued to Mr. Sagar setting out all the terms and conditions of appointment as an Independent Director shall be open for inspection as per the details provided in this Notice. Disclosures as required under Secretarial Standard 2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided as an Annexure to this Notice.

In accordance with the provisions of Section 149 of the Act read with Schedule IV thereto, the appointment of Independent Directors requires approval of the Members. Further, as per Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director shall be subject to the approval of Members by way of a special resolution. Accordingly, the appointment of Mr. Sagar as an Independent Director requires approval of the Members by passing a special resolution.

Except Mr. Sagar, being the appointee none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the resolution set out at item No. 1.

Item No. 2

Appointment of Mr. Rajnish Kumar (DIN: 05328267) as an Independent Director:

On the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors appointed Mr. Rajnish Kumar (DIN: 05328267) as an Additional Director with effect from May 10, 2023 and as an Independent Director of the Company for a period of five years upto and including May 9, 2028, subject to the approval of shareholders.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member, proposing his candidature for the office of Director of the Company.

In the opinion of the Board, Mr. Rajnish Kumar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his appointment as an Independent Director of the Company and is independent of the management.

Mr. Rajnish Kumar is former Chairman of State Bank of India (SBI). He completed his 3 years term as chairman of SBI in October 2020. He is credited with steering SBI successfully through challenging times. During his tenure, SBI developed YONO, a digital platform, which has established bank as a global leader in adoption of technology and innovation.

Mr. Kumar has done M.Sc. in Physics from Meerut University and is also a Certified Associate of Indian Institute of Bankers. Mr. Kumar is a Banker with nearly 4 decades of service with SBI. His expertise in corporate credit and project finance is well recognized. He served SBI in various capacities across the

Country. He successfully managed UK operations of SBI immediately after the crisis caused by the collapse of Lehman Brothers.

Mr. Kumar was also the Chairman of SBI's subsidiaries, important ones being, SBI Life Insurance Company Limited, SBI Foundation, SBI Capital Markets Limited, and SBI Cards & Payments Services Limited. He also served as Director on the boards of various organizations, viz. Export- Import Bank of India, Institute of Banking Personnel Selection, National Institute of Bank Management, Indian Banks' Association, Khadi & Village Industries Commission, Indian Institute of Banking & Finance, among others.

Mr. Kumar is currently serving as an Independent Director on the Boards of many prestigious companies like HSBC Asia Pacific, LTIMindtree Limited, Ambuja Cements Limited, Hero Motocorp Limited and Brookprop Management Services Private Limited. He is also Non-Executive Chairman of Resilient Innovations Private Limited (BharatPe), one of the fastest growing Fintech in the Country and Independent Director on the Board of Lighthouse Communities Foundation. Mr. Kumar is also an advisor with BPEA EQT Pte Ltd. apart from being Member to the Board of Governors, Management Development Institute, Gurugram.

The NRC has identified amongst others, leadership capabilities, expertise in governance, legal compliance, finance & risk management, industry knowledge & experience and global experience/international exposure as the skills required for this role.

The Nomination and Remuneration Committee and the Board of Directors are of the view that Mr. Kumar possess the requisite skills and capabilities as identified above. Considering the skills, experience and expertise, the Committee and the Board considers that this association would be of immense benefit to the Company and it is desirable to avail services of Mr. Kumar as an Independent Director. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Kumar as an Independent Director, for the approval by the shareholders of the Company.

The draft letter of appointment to be issued to Mr. Kumar setting out all the terms and conditions of appointment as an Independent Director shall be open for inspection as per the details provided in this Notice. Disclosures as required under Secretarial Standard 2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided as an Annexure to this Notice.

In accordance with the provisions of Section 149 of the Act read with Schedule IV thereto, the appointment of Independent Directors requires approval of the Members. Further, as per Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of an Independent Director shall be subject to the approval of Members by way of a special resolution. Accordingly, the appointment of Mr. Kumar as an Independent Director requires approval of the Members by passing a special resolution.

Except Mr. Kumar, being the appointee none of the Directors, Key Managerial Personnel (KMP) or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the resolution set out at item No. 2.

Item No. 3

Approval for entering into material related party transaction(s) with Larsen Toubro Arabia LLC

Pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), material related party transactions require the approval of shareholders through a resolution. For this purpose, a Related Party Transaction will be considered ‘material’ if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds Rs. 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. Considering that 10% of consolidated turnover of the Company as on March 31, 2023 was Rs. 18,334.1 crore, the materiality threshold for seeking shareholders’ approval is Rs. 1,000 crore.

The Company has various subsidiaries which are formed in accordance with the requirement of local laws for the purpose of bidding and execution of Engineering, Procurement and Construction (EPC) contracts. Contracts entered into by these subsidiaries usually have a clause which requires issuance of Parent Company Guarantees (PCGs) for execution of these projects. The value of these PCGs is equivalent to portion of the contract attributable to localization requirements. Such PCGs are to be issued upfront and are to be valid till completion of all obligations under the contract.

Considering the above, the Company is required to provide PCGs or Corporate Guarantees (CGs) or Letters of Comfort (LC) or Undertakings, on behalf of its subsidiary companies, to achieve business objectives including meeting client requirements under the terms of the contract, consortium or other agreements.

Considering the increasing localization requirements in the Middle East, it had become imperative for the Company to bid for projects through its local subsidiaries. The Company had in the past provided similar PCGs or CGs or LCs or Undertakings in favour of various subsidiaries operating in the Middle East. However, post the amendment in the definition of material related party transactions, the aforesaid proposal now requires prior approval of the shareholders.

Larsen Toubro Arabia LLC (LTA) was incorporated as a subsidiary to bid and execute projects in the Kingdom of Saudi Arabia (KSA). The Company holds 75% stake in LTA with the remaining 25% being held by a local partner. LTA has bagged a large value contract for engineering, procurement, construction and installation for various new offshore facilities and integration with existing installations in the KSA. The Company is required to provide PCGs or CGs or LC or Undertakings of value not exceeding Rs. 2,050 crore or USD 250 Mn, whichever is higher, on behalf of LTA as per the requirements of the customer with respect to identified project. The Company is bound by confidentiality clause in the customer contract and hence not in a position to disclose the exact particulars of the contract including the name of the customer.

The shareholders at the Annual General Meeting held on August 4, 2022, *inter alia*, approved the proposal for issuance of PCGs or CGs or LCs or Undertakings on behalf of Larsen Toubro Arabia LLC, L&T Modular Fabrication Yard LLC, Larsen & Toubro Electromech LLC, Larsen & Toubro Heavy Engineering LLC, Larsen & Toubro Kuwait General Contracting Co WLL upto an amount not exceeding Rs. 6,000 crore or USD 800 Mn, whichever is higher. The said approval is valid till the next Annual General Meeting or fifteen months from the date of shareholders’ approval, whichever is earlier. The Company has issued/committed PCGs worth USD 800 Mn under the aforesaid approval.

Accordingly, approval of the shareholders is sought for issuance of PCGs or CGs or LC or Undertakings on behalf of LTA, upto an amount not exceeding Rs. 2,050 crore or USD 250 Mn, whichever is higher. The said PCGs or CGs or LC or Undertakings shall be valid for a period not exceeding September 30, 2027. The issuance of these PCGs or CGs or LC shall be in addition to the limits approved by the shareholders at the Annual General Meeting held on August 4, 2022.

The Company has in place a balanced and structured policy and process for approval of Related Party Transactions. The Policy provides the details required to be provided to the Audit Committee for the purpose of review of such transactions and grant their approval for the proposed transactions. A justification for each and every related party transaction is provided to the Audit Committee which enables them to arrive at the right decisions. Additionally, an update on the actual related party transactions entered during every quarter is provided to the Audit Committee.

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

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

Details of the Material Related Party Transaction, as required, under SEBI Circular no. SEBI /HO/CFD/ CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Sr. No	Particulars	Details
1	Name of the Related Party	Larsen Toubro Arabia LLC
2	Nature of Relationship	Subsidiary Company
3	Nature, duration, tenure, material terms, monetary value and particulars of the contract or arrangement	Providing Parent Company Guarantees or Corporate Guarantees or Letters of Comfort or Undertakings on behalf of Larsen Toubro Arabia LLC which shall be valid for period not exceeding September 30, 2027, upto an amount not exceeding Rs. 2,050 crore or USD 250 Mn, whichever is higher, in accordance with the terms and conditions of the contract/agreement executed by LTA with its customer.
4	Transaction related to providing loan(s)/advances(s) or securities for loan taken by a related party	NA
4(a)	Details of the source of funds in connection with the proposed transaction	NA
4(b)	If any financial indebtedness is incurred to make or give such loans/advances/securities for loan and Nature of Indebtedness/Cost of Funds/Tenure	Not Applicable as no indebtedness shall be incurred by the Company

4(c)	Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	NA
4(d)	Purpose for which funds will be utilised	NA
5	Any advance paid or received for the transaction	NA
6	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year i.e. FY 2022-23 that is represented by the value of the proposed transactions	1.12%
7	Details about valuation, arm's length and ordinary course of business	As the proposal relates to providing Parent Company Guarantees or Corporate Guarantees or Letter of Comforts or Undertaking on behalf of LTA the question of valuation does not arise. The Parent Company Guarantee or Corporate Guarantee will be provided at an arm's length basis and a fee will be charged. The charges would be upto 0.50% per annum which is benchmarked with the existing bank guarantee charges
8	Rationale/Benefit of the transaction and why this transaction is in the interest of the Company	Issuance of PCGs or CGs or LCs on behalf of LTA is an obligation under the contract. This enabled LTA to procure the contract and hence the transaction is in the interest of the Company.
9	Any other information relevant or important for the shareholders to take an informed decision	Similar to other subsidiary companies in the Middle East, LTA also has local partners. However, 100% beneficial interest in LTA is held by the Company.

The Board recommends the resolution set out at Item No. 3 for approval of the Shareholders.

None of the Directors and Key Managerial Personnel (KMP) of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 3.

The members may note that as per the provisions of the Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transaction or not), shall not vote to approve the resolution set out at item No. 3.

By order of the Board of Directors
For LARSEN & TOUBRO LIMITED

Sd/-

SIVARAM NAIR A
COMPANY SECRETARY
(M. NO – F3939)

Place: Mumbai
Date: May 10, 2023

(ANNEXURE TO NOTICE DATED MAY 10, 2023)
DETAILS OF DIRECTORS SEEKING 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 of the Director	Mr. Jyoti Sagar	Mr. Rajnish Kumar
Date of Birth	March 18, 1953	January 14, 1958
Date of first appointment on the Board	May 10, 2023	May 10, 2023
Qualifications	B.A. (Economics Honours), St. Stephen's College, Delhi and LL.B, University of Delhi	Certified Associate of Indian Institute of Bankers of Indian Institute of Banking and Finance; Post-graduate in Physics from Meerut University
Experience and nature of expertise in specific functional area	More than 46 years experience in the legal field.	More than 40 years of experience and expertise in banking.
Relationship with other directors, if any	None	None
Directorships held in other companies (excluding foreign companies)	<ol style="list-style-type: none"> 1. Katara Estates Private Limited 2. K&S Digiprotect Services Private Limited 3. Mindkraft Intellectual Property Services Private Limited 	<ol style="list-style-type: none"> 1. LTIMindtree Limited 2. Ambuja Cements Limited 3. Hero Motocorp Limited 4. Resilient Innovations Private Limited 5. Brookprop Management Services Private Limited 6. Lighthouse Communities Foundation
Details of Remuneration sought to be paid	Sitting fees to be paid for attending Board/Committee meetings and commission as may be approved by the Nomination & Remuneration Committee and the Board.	
Details of Listed entities from which he resigned during the last three years.	<ol style="list-style-type: none"> 1. None 	<ol style="list-style-type: none"> 1. SBI Cards and Payments Services Limited 2. SBI Life Insurance Company Limited
Memberships/ Chairmanships of committees across all companies	None	<p><u>Chairperson</u></p> <p>Audit Committee</p> <ol style="list-style-type: none"> 1. LTIMindtree Limited 2. Ambuja Cements Limited <p>Corporate Social Responsibility Committee</p> <ol style="list-style-type: none"> 1. Ambuja Cements Limited <p><u>Member</u></p> <p>Audit Committee</p> <ol style="list-style-type: none"> 1. Resilient Innovations Private Limited

		<p>Nomination & Remuneration Committee</p> <p>1. Ambuja Cements Limited</p> <p>Risk Management Committee</p> <p>1. Ambuja Cements Limited</p> <p>Risk & Audit Committee</p> <p>1. The Hongkong & Shanghai Banking Corporation</p> <p>Strategy & Administration Committee</p> <p>1. Lighthouse Communities Foundation</p>
Number of Meetings attended during the year	NA	NA
Number of Equity Shares held in the Company	NIL	NIL