



# LARSEN & TOUBRO

## LARSEN & TOUBRO LIMITED

Registered Office and Correspondence Address: L&T House, Ballard Estate, Mumbai - 400 001, Maharashtra, India  
Tel: +91 22 6752 5656 Fax: +91 22 6752 5858 Email: IGRC@Larsentoubro.com Website: www.Larsentoubro.com  
Corporate Identity No. (CIN): L99999MH1946PLC004768 Company Secretary and Compliance Officer: Mr. Sivaram Nair A

### PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF LARSEN & TOUBRO LIMITED ("COMPANY") FOR THE BUYBACK OF EQUITY SHARES ON PROPORTIONATE BASIS THROUGH A TENDER OFFER ROUTE ("TENDER OFFER") USING THE EXCHANGE MECHANISM AS PRESCRIBED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED.

This Public Announcement ("Public Announcement") is being made pursuant to Regulation 7(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations"), for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Schedule II to the Buyback Regulations read with Schedule I of the Buyback Regulations.

OFFER FOR BUY BACK OF UP TO 3,33,33,333 (THREE CRORE THIRTY THREE LAKH THIRTY THREE THOUSAND THREE HUNDRED AND THIRTY THREE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 2/- (RUPEES TWO ONLY) EACH OF THE COMPANY FROM THE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES AS ON THE RECORD DATE, ON A PROPORTIONATE BASIS BY WAY OF A TENDER OFFER ROUTE USING STOCK EXCHANGE MECHANISM AT A PRICE OF ₹ 3,000/- (RUPEES THREE THOUSAND ONLY) ("BUYBACK OFFER PRICE" OR "BUYBACK PRICE") SUBJECT TO ANY INCREASE TO THE BUYBACK OFFER PRICE AS MAY BE APPROVED BY THE BOARD AND/OR THE COMMITTEE THEREOF PAYABLE IN CASH FOR AN AGGREGATE CONSIDERATION OF UP TO ₹ 10,000 CRORE (RUPEES TEN THOUSAND CRORE ONLY)

#### 1. The Buyback Offer

1.1. The Board of Directors of the Company at its meeting held on July 25, 2023 ("Board" which expression shall include any committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution) had approved, subject to approval of the shareholders, the buyback by the Company of 3,33,33,333 of its fully paid-up equity shares of face value of ₹ 2/- (Rupees Two only) each ("Equity Shares"), from the members of the Company at a maximum price of up to ₹ 3,000/- (Rupees Three Thousand only) per Equity Share, subject to any increase to the Buyback Offer Price as may be approved by the Board and/or the committee thereof, payable in cash for an aggregate consideration of up to ₹ 10,000 crore (Rupees Ten Thousand Crore only) ("Buyback Size") excluding transaction costs viz. brokerage, applicable taxes such as, Buyback tax, securities transaction tax, goods and services tax, stamp duty, etc., which will not exceed 25% of the aggregate of the paid-up share capital and free reserves as per the audited standalone or consolidated financial statements of the Company as on March 31, 2023, whichever sets out a lower amount, out of the free reserves or securities premium account of the Company and/or such other source as may be permitted by the Buyback Regulations or the Companies Act, 2013, as amended ("Act"), from the shareholders of the Company, as on the record date i.e. September 12, 2023 as determined by the buyback committee ("Buyback Committee") ("Record Date"), on a proportionate basis, through the Tender Offer route using stock exchange mechanism as prescribed under the Buyback Regulations ("Buyback"). The members of the Company have authorized the Board/the Buyback Committee of the Company, as the case maybe, to determine the specific price at which the buyback will be made. Subsequently, the Buyback Committee at its meeting held on August 26, 2023 has, subject to the final buyback price as may be determined in accordance with Regulation 5(via) of the Buyback Regulations, determined the specific Buyback Price of ₹ 3,000/- (Rupees Three Thousand only) per Equity Share, for the buyback by the Company of up to 3,33,33,333 Equity Shares.

1.2. The Buyback is to be carried out pursuant to Article 5A of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Act, the Companies (Share Capital and Debentures) Rules, 2014 ("Share Capital Rules"), and the Companies (Management and Administration) Rules, 2014 ("Management and Administration Rules"), to the extent applicable, and in compliance with the Buyback Regulations, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended ("Listing Regulations") which expression shall include any modification or re-enactment thereof, and subject to such other approvals, permissions, sanctions as may be necessary, and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board.

1.3. In terms of Regulation 5(via) of the Buyback Regulations, the Board or Buyback Committee, may till 1 (one) working day prior to the Record Date, increase the Buyback Offer Price and decrease the number of Equity Shares proposed to be bought back, such that there is no change in the Buyback Size.

1.4. Since the Buyback is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act and Regulation 5(i)(b) of the Buyback Regulations, the Board had sought approval of the shareholders of the Company for Buyback, by a special resolution, through notice of postal ballot dated July 25, 2023 ("Postal Ballot Notice"), the results of which were announced on August 25, 2023.

1.5. As per Regulation 4(i) of the Buyback Regulations, the Buyback Size is within the statutory limit of 25% of the aggregate of the fully paid-up capital and free reserves of the Company based on the standalone financial statements or consolidated financial statements of the Company as on March 31, 2023, whichever sets out a lower amount. The Equity Shares proposed to be bought back represent 2.37% of the total number of Equity Shares in the total paid-up Equity Share capital of the Company, as on March 31, 2023.

1.6. The Buyback Size constitutes 14.06% and 11.97% of the aggregate of fully paid-up Equity Share capital and free reserves (including securities premium account) as per the standalone and consolidated audited financial statements of the Company for the financial year ended March 31, 2023, respectively, which is within the prescribed limit of 25% under Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations.

1.7. In terms of the Buyback Regulations, under the Tender Offer route, promoters have the option to participate in a buyback. However, the Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control.

1.8. The Equity Shares are listed on the Stock Exchanges (as defined below). The Equity Shares shall be bought back on a proportionate basis from all the equity shareholders of the Company as on the Record Date ("Eligible Shareholders") through the "Tender Offer" route, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations, and subject to applicable laws and SEBI Circulars. Please refer to Paragraph 10.1 for details regarding the Record Date and share entitlement for tendering in the Buyback.

1.9. All the Eligible Shareholders will be eligible to participate in the Buyback, including holders of global depository shares ("GDSs") of the Company, who cancel any of their GDSs and withdraw the underlying Equity Shares prior to the Record Date, such that they become equity shareholders of the Company as on the Record Date.

1.10. The Buyback shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by the SEBI in its circular bearing reference number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circular bearing reference number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular bearing reference number SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, as amended from time to time ("SEBI Circulars"). In this regard, the Company will request BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (collectively referred to as "Stock Exchanges") to provide the acquisition window for facilitating tendering of Equity Shares under the Buyback. For the purposes of this Buyback, BSE will be the designated stock exchange.

1.11. Participation in the Buyback by shareholders will trigger tax on distributed income to shareholders ("Buyback Tax") in India and such tax obligation is to be discharged by the Company. Any income received by Eligible Shareholders pursuant to the Buyback of shares will not be included in the total taxable income of such Shareholders under the provisions of the Income Tax Act, 1961. This may however trigger capital gains taxation in hands of the shareholders in their respective country of residence i.e. in case of shareholders residing outside India. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a letter of offer ("Letter of Offer"), which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

1.12. A copy of this Public Announcement is available on the website of the Company at [www.larsentoubro.com](http://www.larsentoubro.com), websites of the Managers to the Buyback at [www.imfl.com](http://www.imfl.com) and [www.axiscapital.co.in](http://www.axiscapital.co.in), website of the Registrar to the Buyback at [www.karisma.kfintech.com](http://www.karisma.kfintech.com), website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), and the website of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

1.13. The Buyback is made pursuant to certain exemptive relief granted under the U.S. Securities Exchange Act of 1934, as amended. Neither the U.S. Securities and Exchange Commission nor any state securities commission of the U.S. has approved or disapproved the Buyback or passed any comment upon the adequacy or completeness of this Public Announcement. Any representation to the contrary is a criminal offence in the U.S.

1.14. From the Record Date until the closure of the Tendering Period, the Eligible Shareholders in the U.S. can call a 24-hour hotline at +18335740824 (a U.S. toll-free number) and the hotline will remain open on all days including weekends and public holidays during this period. The Eligible Shareholders in India, can call toll free number of KFin Technologies Limited at 18003094001 to resolve any queries that they may have with respect to the Buyback.

#### 2. Necessity/ Objective of the Buyback

In financial year 2021-2022, the Company formulated its Lakshya '26 Strategic Plan. One of the key strategic objectives in Lakshya '26 is to improve return on equity and maximize shareholder value. Increased profitability, release of working capital, higher dividends apart, return of extra capital to shareholders in the form of buyback of shares of the Company is one such initiative which can help in meeting these objectives. The Company is currently following an asset-light business model and hence significant investments which may utilize surplus cash is not envisaged. Hence, it is proposed to undertake a buyback to increase shareholder value in the longer term and improve return on equity.

#### 3. Maximum number of securities that the Company proposes to Buyback

The Company proposes to buyback up to 3,33,33,333 (Three Crore Thirty Three Lakh Thirty Three Thousand Three Hundred and Thirty Three) Equity Shares.

#### 4. Buyback Price and basis of determining price of the Buyback

4.1 The Equity Shares of the Company are proposed to be bought back at ₹ 3,000/- (Rupees Three Thousand only) per Equity Share, subject to any increase to the Buyback Offer Price as may be approved by the Board or the Buyback Committee. The Buyback Offer Price has been arrived at after considering various factors including but not limited to the earnings per share, price earnings ratio, impact on the net worth of the Company, the trends in the volume weighted average prices and the closing price of the Equity Shares at BSE and NSE where the Equity Shares are listed and other financial parameters. The specific Buyback Offer Price has been finalized by the Buyback Committee of the Board appointed for this purpose based on a premium over the daily average of the closing price on BSE and NSE in the immediately preceding two weeks' and one day prior to the date of Buyback Committee meeting held on Saturday, August 26, 2023.

4.2 The Buyback Price represents:

- Premium of 29.83% and 29.38% to the volume weighted average market price of the Equity Share on BSE and on NSE, respectively, during the three months preceding July 20, 2023, being the date of intimation to the Stock Exchanges of the date of the Board Meeting to consider the proposal of the Buyback ("Intimation Date").
- Premium of 20.28% and 20.28% over the closing price of the Equity Share on BSE and NSE, respectively, as on July 19, 2023, which is a day preceding the Intimation Date.
- Premium of 12.35% and 12.36% over the daily average of the closing market price of the Equity Shares on BSE and NSE, respectively, in the immediately preceding two weeks' prior to the date of Buyback Committee meeting.
- Premium of 13.66% and 13.71% over the closing market price of the Equity Shares on BSE and NSE, respectively, one day prior to the date of Buyback Committee meeting.

#### 5. Maximum amount required for Buyback, its percentage of the total paid-up capital and free reserves and sources of funds from which Buyback would be financed.

5.1 The maximum amount required for Buyback will not exceed ₹ 10,000 crore (Rupees Ten Thousand Crore only) excluding transaction costs, viz. brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and service tax, stamp duty, etc. The said amount works out to 14.06% and 11.97% of the aggregate of fully paid-up Equity Share capital and free reserves (including securities premium account) as per the standalone and consolidated audited financial statements of the Company for the financial year ended March 31, 2023, respectively, which is within the prescribed limit of 25% under Section 68(2)(c) of the Act and Regulation 4(i) of the Buyback Regulations.

5.2 The funds for the implementation of the proposed Buyback will be sourced out of the free reserves (retained earnings), current balances of cash and cash equivalents and/or internal accruals of the Company and/or such other source as may be permitted by the Buyback Regulations or the Act.

5.3 The Company shall transfer from its free reserves, a sum equal to the nominal value of the equity shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statements. The funds borrowed from banks and financial institutions will not be used for the Buyback.

#### 6. Details of holding and transactions in the shares of the Company by promoter and promoter group.

The Company is professionally managed and does not have any identifiable promoters or promoter group or persons in control.

- Aggregate shareholding of the promoter as on July 25, 2023: Not applicable.
- Aggregate shareholding of the directors of promoter as on July 25, 2023: Not applicable.
- Aggregate Equity Shares purchased or sold by (i) the Promoter; and (ii) directors of the Promoter during a period of six months preceding the date of the Board Meeting at which the Buyback was approved till the date of the Postal Ballot Notice i.e. July 25, 2023:

6.3.1. Aggregate of Equity Shares purchased or sold by the promoter: Not applicable

6.3.2. Aggregate of Equity Shares purchased or sold by the directors of the promoter: Not applicable

6.4. Intention of promoter and promoter group to participate in Buyback: Not applicable.

6.5. The date and price of the acquisition and other details of the Equity Shares held by the promoter and promoter group who are intending to tender their shares: Not applicable.

#### 7. Confirmations from the Company as per the provisions of Buyback Regulations and the Act

7.1. All the equity shares of the Company are fully paid-up.

7.2. Subject to applicable law, the Company shall not issue any shares or other specified securities including by way of bonus issue till the expiry of the buyback period i.e. from the date of declaration of results of the Postal Ballot Resolution till the date on which the payment of consideration to shareholders who have accepted the buyback offer is made in accordance with the Act and the Buyback Regulations ("Buyback Period").

7.3. Subject to applicable law, the Company shall not raise further capital for a period of one year from the expiry of the Buyback Period, except in discharge of subsisting obligations.

7.4. The Company, as per the provisions of Section 68(8) of the Act, will not make any further issue of the same kind of shares or other securities including allotment of new shares under Section 62(1)(a) of the Act or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.

7.5. The Company shall not buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable.

7.6. The Company shall not buyback its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback.

7.7. There are no defaults subsisting in the repayment of deposits, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend or repayment of any term loans or interest payable thereon to any shareholder or financial institution or banking company, as the case may be.

7.8. That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Act.

7.9. That funds borrowed from Banks and Financial Institutions will not be used for the Buyback.

7.10. The aggregate amount of the Buyback i.e. up to ₹ 10,000 crore (Rupees Ten Thousand Crore only) does not exceed 25% of the total paid-up capital and free reserves of the Company as per the audited standalone and consolidated financial statements of the Company as on March 31, 2023, whichever sets out a lower amount.

7.11. The number of equity shares proposed to be purchased under the Buyback i.e. 3,33,33,333 (Three Crore Thirty Three Lakh Thirty Three Thousand Three Hundred and Thirty Three), does not exceed 25% of the total number of equity shares in the paid-up equity share capital as on March 31, 2023.

7.12. The Company shall not make any offer of buyback within a period of one year reckoned from the date of expiry of the Buyback Period, subject to applicable laws.

7.13. The Buyback will not be in contravention of Regulation 4(vii) of Buyback Regulations, i.e. the Company has not made the offer of Buyback within a period of one year reckoned from the date of expiry of buyback period of the preceding offer of buyback.

7.14. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date.

7.15. The Company shall earmark and make arrangements for adequate sources of funds for the purpose of the Buyback in accordance with the Buyback Regulations.

7.16. The Company will not directly or indirectly purchase its own Equity Shares or other specified securities:

- Through any subsidiary company including its own subsidiary companies; or
- Through any investment company or group of investment companies.

7.17. Consideration of the Equity Shares bought back by the Company will be paid only by way of cash.

7.18. The Buyback will not result in delisting of the Equity Shares from BSE Limited and National Stock Exchange of India Limited (collectively, "Stock Exchanges")

7.19. As on date,

- the ratio of the aggregate of secured and unsecured debts owed by the Company is not and shall not be more than twice the paid-up share capital and free reserves, after the Buyback, based on audited standalone and consolidated financial statements of the Company as on March 31, 2023, whichever sets out a lower amount; or
- the ratio of the aggregate of secured and unsecured debts owed by the Company is not and shall not be more than twice the paid-up share capital and free reserves based on audited standalone and consolidated financial statements of the Company as on March 31, 2023, whichever sets out a lower amount, after excluding financial statements of all subsidiaries that are non-banking financial companies and housing finance companies regulated by Reserve Bank of India or National Housing Bank, after the Buyback and such excluded subsidiaries have their ratio of aggregate of secured and unsecured debts to the paid-up capital and free reserves of not more than 6:1 on standalone basis.

7.20. The Buyback offer shall not be withdrawn once the public announcement is made.

7.21. The Company shall not undertake the Buyback unless it has obtained the prior consent of its lenders, in case of breach of any covenant with such lenders. The Company confirms that the covenants with lenders are not being breached pursuant to the Buyback.

#### 8. Confirmations from the Board

8.1. The Board of Directors of the Company confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or interest thereon or payment of dividend, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

8.2. The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

a) Immediately following the date of the Board Meeting i.e. July 25 2023, and the date on which the result of Members' resolution passed by way of Postal Ballot ("Postal Ballot Resolution") was declared, approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;

b) As regards the Company's prospects for the year immediately following the date of the Board Meeting i.e. July 25 2023, approving the Buyback as well as for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting i.e. July 25 2023, as also from the date of Postal Ballot Resolution;

c) In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Act/Insolvency and Bankruptcy Code, 2016, as applicable.

#### 9. Report addressed to the Board of Directors by the Company's Auditors on permissible capital payment and opinion formed by Directors regarding insolvency:

The text of the Report dated July 25, 2023 of Deloitte Haskins & Sells, LLP, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

#### Quote

To,

#### The Board of Directors,

#### Larsen & Toubro Limited

L&T House, Ballard Estate, Narottam Morarjee Marg, Mumbai- 400 001

Dear Sirs/Madam,

#### STATUTORY AUDITOR'S REPORT IN RESPECT OF PROPOSED BUYBACK OF EQUITY SHARES BY LARSEN & TOUBRO LIMITED (THE "COMPANY") IN TERMS OF CLAUSE (xi) OF SCHEDULE I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED (THE "BUYBACK REGULATIONS")

1. This Report is issued in accordance with the terms of our engagement letter dated July 20, 2023.

2. The Board of Directors of the Company have approved a proposal for buyback of equity shares by the Company (subject to the approval of its shareholders) at its Meeting held on July 25, 2023 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buyback Regulations.

3. We have been requested by the Management of the Company to provide a report on the accompanying "Statement of Permissible Capital Payment as at March 31, 2023" ("Annexure 1") (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management of the Company, which we have initialed for the purposes of identification only.

#### Management's Responsibility

4. The preparation of the Statement in accordance with Section 68(2)(c) of the Act, the Regulation 4(i) of the Buyback Regulations and the compliance with the Buyback Regulations, is the responsibility of the management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of meeting at which the proposal for buy-back was approved by the Board of Directors of the Company and one year from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

#### Auditor's Responsibility

6. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide a reasonable assurance that:

i) whether we have inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements as at and for the year ended March 31, 2023, which are subject to adoption by the members of the Company at their Annual General Meeting;

ii) the amount of permissible capital payment as stated in Annexure 1, has been properly determined considering the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023 in accordance with Section 68(2)(c) of the Act and the Regulation 4(i) of the Buyback Regulations; and

iii) whether the Board of Directors of the Company, in their Meeting held on July 25, 2023 have formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing the board resolution dated July 25, 2023 as well as for a period of one year immediately following the date of passing of the shareholders' resolution with regard to the proposed buyback.

7. The audited standalone and consolidated financial statements referred to in paragraph 6 above, as of and for the financial year ended March 31, 2023, have been audited by us, on which we have issued an unmodified audit opinion in our report dated May 10, 2023. Our audit of the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023 was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

8. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India ("ICAI") and Standards on Auditing specified under Section 143(10) of the Act. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

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

#### Criteria and Scope

10. The criteria against which the information contained in the Statement is evaluated are following:

i) Audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023;

ii) Letter of Announcement of Buyback submitted by the Company's Board of Directors to Stock Exchange as per Regulation 30 of Listing obligations and disclosure requirements of Securities Exchange Board of India;

iii) Board Resolution passed at the Board Meeting held on July 25, 2023;

iv) Articles of Association of the Company; and

v) Books of account and other records and documents and written representation obtained from the Management of the Company.

#### Opinion

11. Based on our examination, as stated above and according to the information, explanations and written representations provided to us by the Management of the Company, we report that:

i) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements as at and for the year ended March 31, 2023.

ii) The amount of permissible capital payment towards the proposed buy back of equity shares as computed in the Statement attached herewith, as Annexure 1, is in accordance with the provisions of Section 68(2)(c) of the Act and the Regulation 4(i) of the Buyback Regulations. The amounts of share capital and free reserves used in the computation of permissible capital payment have been accurately extracted from the audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2023.

iii) The Board of Directors of the Company, at their meeting held on July 25, 2023, have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board Resolution dated July 25, 2023 as well as for a period of one year immediately following the date of passing of the shareholders' resolution with regard to the proposed buyback.

#### Restriction on Use

12. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the explanatory statement to the notice for the special resolution, public announcement, and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) can be shared with the Merchant Bankers in connection with the proposed buyback of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Sections 68 and other applicable provisions of the Act and the Buyback Regulations, and may not be suitable for any other purpose. This report should not be used 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 person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For DELOITTE HASKINS & SELLS LLP

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

Rupen K. Bhatt

Partner

(Membership No. 046930)

UDIN: 23046930BGXRLG5638

Place: Mumbai

Date: July 25, 2023

Continued on next page..

Computation of amount of permissible capital payment towards buyback of Equity Shares in accordance with Section 68(2) of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the "Buyback Regulations"), as amended, based on audited standalone and consolidated financial statements as at and for year ended March 31, 2023:

Particulars	(Amt in ₹ Crore)		
	Standalone	Consolidated	
<b>Paid-up Capital as at March 31, 2023 (1,40,54,82,190 equity shares of face value ₹ 2 each fully paid up)</b>	<b>A</b>	<b>281.10</b>	<b>281.10</b>
Free Reserves as at March 31, 2023			
1. Securities Premium Account		8,770.19	8,770.19
2. General Reserve		26,201.60	-
3. Retained Earnings		35,863.32	74,519.94
<b>Total Free Reserves</b>	<b>B</b>	<b>70,835.11</b>	<b>83,290.13</b>
<b>Total Paid-up Capital and Free Reserves as at March 31, 2023</b>	<b>C = A+B</b>	<b>71,116.21</b>	<b>83,571.23</b>
<b>Maximum amount permissible for the buyback i.e. lower of 25% of Total Paid-up Capital and Free Reserves of Standalone and Consolidated Financial Statements</b>			<b>17,779.05</b>
<b>Debt to Total Paid-up Capital and Free Reserves as per Regulation 4(ii) of the SEBI Buyback Regulations</b>			
Particulars	(Amt in ₹ Crore)		
	Standalone	Consolidated	
Debt (including NBFCs)	18,151.09	118,513.38	
Debt of NBFCs		81,952.16	
<b>Debt (excluding NBFCs)</b>	<b>1</b>	<b>18,151.09</b>	<b>36,561.22</b>
Total Paid-up Capital and Free Reserves as at March 31, 2023 (as above) including NBFCs - (A)		71,116.21	83,571.23
Free Reserves of NBFCs (included in above) - (B)		-	1,641.23
<b>Total Paid-up Capital and Free Reserves as at March 31, 2023 (excluding NBFCs) (A-B)</b>	<b>2</b>	<b>71,116.21</b>	<b>81,930.00</b>
Debt / (Paid-up Capital + Free Reserves) Ratio (excluding NBFCs) (Pre Buyback)	3 = 1/2	0.26	0.45
Proposed Buyback	4		10,000.00
<b>Debt / (Paid-up Capital + Free Reserves) Ratio (excluding NBFCs) (Post Buyback)</b>	<b>5 = 1/(2-4)</b>	<b>0.30</b>	<b>0.51</b>
<b>Debt to Paid-up Capital and Free Reserves of NBFCs (Standalone level)</b>	<b>Debt (₹ Crore)</b>	<b>Paid Up Capital and Free Reserves (₹ Crore)</b>	<b>Ratio</b>
L&T Finance Limited (includes related party borrowings - ₹ 3449 crore)	80,049.14	15,374.89	5.21
L&T Infra Credit Limited	5,347.02	1,151.35	4.64
L&T Finance Holdings Limited	5.00	12,546.96	0.00
<b>Total</b>	<b>85,401.16</b>	<b>29,073.20</b>	

For Larsen & Toubro Limited

Sivaram Nair A

Company Secretary and Compliance Officer

Unquote

#### 10. Record Date and Shareholder entitlement

10.1. The Company has fixed September 12, 2023 as the Record Date for the purpose of determining the Buyback entitlement and the names of the Equity Shareholders, who are eligible to participate in the Buyback.

10.2. In due course, Eligible Shareholders will receive a letter of offer in relation to the Buyback ("Letter of Offer") along with a tender offer form indicating the entitlement of the Eligible Shareholder for participating in the Buyback. The Letter of Offer will be dispatched to Eligible Shareholders within two Working Days from the Record Date by Electronic Mode in accordance with the provisions of the Act.

10.3. The Equity Shares proposed to be bought back by the Company shall be divided into two categories; (i) reserved category for Small Shareholders (defined below) and (ii) the general category for all other Eligible Shareholders.

10.4. As defined in Regulation 2(i)(n) of the Buyback Regulations, a "Small Shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price of Equity Shares on the Stock Exchanges, on which the highest trading volume in respect of the Equity Shares on the Record Date was recorded, of not more than ₹ 200,000 (Rupees Two Lakh Only).

10.5. In accordance with Regulation 6 of the Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to buy back or the number of Equity Shares entitled as per the shareholding of Small Shareholders as on the Record Date, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.

10.6. Based on the shareholding as on the Record Date, the Company will determine the entitlement of each Eligible Shareholder to tender their Equity Shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective Eligible Shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such Eligible Shareholder belongs.

10.7. In accordance with Regulation 9(ix) of the Buyback Regulations, in order to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder Category, the Company will club together the Equity Shares held by such shareholders with a common Permanent Account Number (PAN) for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical, the Company will club together the Equity Shares held in such cases. Similarly, in case of physical shareholders where PAN is not available, the Company will check the sequence of names of the joint holders and club together the Equity Shares held in such cases where the sequence of name of joint shareholders is identical. The shareholding of institutional investors like mutual funds, pension funds/trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the registrar and transfer agent (the "Registrar") as per the shareholder records received from the depositories.

10.8. After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in the other category.

10.9. The participation of the Eligible Shareholders in the Buyback is voluntary. Eligible Shareholders may opt to participate, in part or in full, and receive cash in lieu of the Equity Shares accepted under the Buyback, or they may opt not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any.

10.10. The maximum tender under the Buyback by any Eligible Shareholder should not exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.

10.11. The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback will be done using the "Mechanism for acquisition of shares through the Stock Exchange pursuant to Tender-Offers under Takeovers, Buy-Back and Delisting" notified by SEBI Circulars.

10.12. Participation in the Buyback by Shareholders will trigger the Buyback Tax in India and such tax is to be discharged by the Company. Any income received by Eligible Shareholders pursuant to the Buyback of shares will not be included in the total taxable income of such Shareholders. The Buyback will also be chargeable to securities transaction tax in India. The Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

10.13. All Eligible Shareholders will be eligible to participate in the Buyback, including holders of Global Depository Shares ("GDSs") of the Company, who cancel any of their GDSs and withdraw the underlying Equity Shares prior to the Record Date, such that they become equity shareholders of the Company as on the Record Date.

10.14. Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders as on the Record Date.

#### 11. Process and Methodology to be Adopted for the Buyback

11.1. The Equity Shares shall be bought back on a proportionate basis from all the equity shareholders of the Company as on the Record Date, including holders of GDS of the Company, who cancel any of their GDS and withdraw the underlying Equity Shares prior to the Record Date, such that they become equity shareholders of the Company as on the Record Date ("Eligible Shareholders") through the "Tender Offer" route, as prescribed under the Buyback Regulations, and subject to applicable laws, facilitated through the stock exchange mechanism as specified by SEBI in the SEBI Circulars.

11.2. The letter of offer, shall be sent through electronic means to Eligible Shareholder(s) who have registered their email ids with the depositories/the Company. For Eligible Shareholders who have not registered their email IDs with the Depositories/the Company, and for Eligible Shareholders in the U.S., this Letter of Offer shall be dispatched through physical mode by registered post/speed post/courier, if so requested by them to the Company, Registrar to the Buyback and the Managers to the Buyback.

11.3. For the implementation of the Buyback, the Company has appointed JM Financial Services Limited as the registered broker to the Company ("Company Broker") to facilitate the process of tendering of Equity Shares through the stock exchange mechanism for the Buyback and through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company Broker are as follows:

**JM Financial Services Limited**

5th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, India.

Tel : +91 22 6704 3000 Fax : +91 22 6761 7222

Contact Person: Mr. Divyesh Kapadia

Tel.: +91 22 6704 3458

Email: Divyesh.Kapadia@jmf.com Website: www.jmfinancialservices.in

SEBI Registration Number: INZ000195834

Corporate Identity Number: U67120MH1998PLC115415

11.4. Separate acquisition window ("Acquisition Window") will be provided by the Stock Exchanges to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buyback. The details of the Acquisition Window will be specified by the Stock Exchanges from time to time. For the purpose of this Buyback, BSE has been appointed as the "Designated Stock Exchange".

11.5. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers ("Seller Member(s)" or "Stock Broker(s)") during normal trading hours of the secondary market. The Seller Members can enter orders for dematerialized shares as well as physical shares.

11.6. In the event the stock brokers of any Eligible Shareholder is not registered with BSE/NSE as a trading member/stock broker, then that Eligible Shareholder can approach any BSE/NSE registered stock broker and can register themselves by using quick unique client code (the "UCC") facility through the registered stock broker (after submitting all details as may be required by such registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other registered broker, Eligible Shareholders may approach Company's Broker to place their bids, subject to completion of 'know your customer' requirements as required by the Company's Broker.

11.7. Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will only be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

11.8. Further, the Company will not accept Equity Shares tendered for Buyback which are under restraint order of the court/any other competent authority for transfer/sale and /or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise.

11.9. In accordance with Regulation 24(v) of the Buyback Regulations, the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.

11.10. Eligible Shareholders will have to tender their Equity Shares from the same demat account in which they were holding such Equity Shares as on the Record Date, and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar.

11.11. The Buyback from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any ("FEMA"), Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the Reserve Bank of India under the FEMA.

11.12. The reporting requirements for non-resident shareholders under Reserve Bank of India, FEMA and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/ or the stock broker(s) through which the Eligible Shareholder places the bid.

11.13. **Procedure to be followed by Eligible Shareholders holding Equity Shares in dematerialised form**

11.13.1. Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective stock broker(s) by indicating to such stock broker(s) the details of Equity Shares they intend to tender under the Buyback.

11.13.2. The stock broker(s) would be required to place an order/bid on behalf of the Eligible Shareholder(s) who wish to tender Equity Shares in the Buyback using the Acquisition Window of BSE/NSE.

11.13.3. The lien shall be marked by the stock broker(s) in the demat account of the Eligible Shareholder for the shares tendered in Tender Offer. Details of shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to Indian Clearing Corporation Limited ("Clearing Corporation"). In case, the shareholders demat account is held with one depository and clearing member pool and Clearing Corporation account is held with other depository, shares shall be blocked in the shareholders demat account at source depository during the tendering period. Inter depository tender offer (the "IDT") instructions shall be initiated by the shareholders at source depository to clearing member/ Clearing Corporation account at target depository. Source depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target depository to the Clearing Corporation.

11.13.4. For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than 3:30 p.m. IST on the last day of the tendering period i.e. the buyback closing date ("Buyback Closing Date"). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification by the concerned stock broker(s) shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

11.13.5. Upon placing the bid, the stock broker(s) shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of order submitted such as Bid ID No., Application No., DP ID, Client ID, number of Equity Shares tendered etc. In case of non-receipt of the completed tender form and other documents, but lien marked on Equity Shares and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.

11.13.6. Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the tender form to be sent. Such documents may include (but not be limited to):

- Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the tender form;
- Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder has expired; and
- In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

11.13.7. **It is clarified that in case of demat Equity Shares, submission of tender form and TRS is not required. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.**

11.13.8. The Eligible Shareholders will have to ensure that they keep the DP account active and unlocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company. In the event if any Equity Shares are tendered to Clearing Corporation, excess dematerialized Equity Shares or unaccepted dematerialized Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the security transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the shareholder's broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess dematerialized shares or unaccepted dematerialized shares, if any, will be refunded to the respective custodian depository pool account.

11.14. **Procedure to be followed by Eligible Shareholders holding Equity Shares in Physical Form**

11.14.1. Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective stock broker(s) along with the complete set of documents for verification procedures to be carried out including the (i) original Equity Share certificate(s), (ii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the Eligible Shareholder's PAN Card, (iv) the tender form (duly signed by all Eligible Shareholders in case the Equity Shares are in joint names the same order in which they hold Equity Shares) and (v) any other relevant documents such as, but not limited to, duly attested power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder has deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.

11.14.2. Based on the documents as mentioned in Paragraph 11.14.1 herein above, the concerned stock broker(s) shall place the bid on behalf of Eligible Shareholders holding Equity Shares in physical form using the Acquisition Window of BSE/NSE. Upon placing the bid, the stock broker(s) shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. The TRS will contain the details of order submitted like folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.

11.14.3. The stock broker / Eligible Shareholder is required to deliver the original Equity Share certificate(s) and documents (as mentioned in Paragraph 11.14.1) along with TRS either by registered post or courier or hand delivery to Registrar to the Buyback, at its office provided in Paragraph 14, within 2 (two) days of bidding by stock broker. However, in case the bids are placed by the stock broker during the last two days of the tendering period, the stock broker/Eligible Shareholder shall ensure that documents reach the Registrar on or before the Buyback Closing Date. The envelope should be super scribed as "L&T Buyback Offer 2023". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the stock broker / Eligible Shareholder.

11.14.4. Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such time BSE/NSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar to the Buyback confirms the bids it will be treated as "Confirmed Bids".

11.14.5. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/PP/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue the securities in dematerialized form only

while processing the service request of issue, inter alia, relating to the sub-division or splitting of share certificate. In view of the same, the Company shall issue a letter of confirmation ("LOC") in lieu of any excess physical Equity Shares pursuant to proportionate acceptance/rejection and the LOC shall be dispatched to the address registered with the Registrar. The Registrar shall retain the original share certificate and deface the certificate with a stamp "Letter of Confirmation Issued" on the face / reverse of the certificate to the extent of the excess physical shares. The LOC shall be valid for a period of 120 days from the date of its issuance, within which the Equity Shareholder shall be required to make a request to their depository participant for dematerializing the physical Equity Shares returned. In case the Equity Shareholder fails to submit the demat request within the aforesaid period, the Registrar shall credit the physical Equity Shares to a separate demat account of the Company opened for the said purpose.

11.14.6. In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback before Buyback Closing Date.

11.14.7. In case the Equity Shares are held on repatriation basis, the Eligible Shareholder, being a Non-Resident Shareholder, should obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by such Eligible Shareholder, from the appropriate account as specified by RBI in its approval. In case the Eligible Shareholder, being a Non-Resident Shareholder, is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis, and in that case, the Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buyback.

11.14.8. If any of the above stated documents (as applicable) are not enclosed along with the tender form, the Equity Shares tendered by Eligible Shareholders, being Non-Resident Shareholders, under the Buyback are liable to be rejected.

#### 12. Method of Settlement

12.1. The settlement of trade(s) shall be carried out in the manner similar to settlement of trade(s) in the secondary market.

12.2. The Company will transfer the consideration pertaining to the Buyback to the Clearing Corporation's bank account through the Company's Broker as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholders' bank account linked to its demat account. If bank account details of any Eligible Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the RBI or relevant bank, due to any reason, then the amount payable to the Eligible Shareholders will be transferred to the concerned stock broker's for onward transfer to the such Eligible Shareholder holding Equity Shares in dematerialized form.

12.3. In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective stock broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by Stock Exchanges and the Clearing Corporation from time to time.

12.4. For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective stock broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account.

12.5. Details in respect of shareholder's entitlement for Tender Offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buyback. On receipt of the same, Clearing Corporations will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporations.

12.6. In the case of inter depository, Clearing Corporations will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporations or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buyback. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.

12.7. The Equity Shares bought back in the dematerialized form would be transferred directly to the demat account of the Company opened for the Buyback ("Company Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchanges.

12.8. Excess Equity Shares or unaccepted Equity Shares, in dematerialised form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the stock broker's depository pool account for onward transfer to the respective Eligible Shareholder.

12.9. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue Letter of Confirmation with respect to the new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Eligible Shareholders holding Equity Shares in the physical form. The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Eligible Shareholders' sole risk. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Buyback are completed.

12.11. The stock broker would issue a contract note for the Equity Shares accepted under the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.

12.12. Equity Shareholders who intend to participate in the Buyback should consult their respective stock broker for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the stock broker upon the selling Eligible Shareholder for tendering Equity Shares in the Buyback (secondary market transaction). The Managers to the Buyback and the Company accept no responsibility to bear or pay any additional cost, applicable taxes, charges and expenses (including brokerage) levied by the stock broker, and such costs will be incurred solely by the Eligible Shareholders.

12.13. The Equity Shares lying to the credit of the Company Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

#### 13. Compliance Officer

The Company has designated the following person as the Compliance Officer for the Buyback:

**Sivaram Nair A**

**Company Secretary**

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

Tel No.: +91 22 6752 5656 Fax No.: +91 22 6752 5858 Email: igcr@larsentoubro.com

Website: www.larsentoubro.com

Eligible Shareholders may contact the Compliance Officer for any clarification or to address their grievances, if any, during 10:00 a.m. to 5:00 p.m. on all Working Days during the tendering period.

#### 14. Registrar to the Buyback

**KFINTECH**

**KFin Technologies Limited**

Selenium, Tower B, Plot No. 31 and 32, Gachibowli, Financial District, Nanakramguda,

Serilingampally, Hyderabad - 500 032

Toll Free Number: 18003094001 Tel: +91 40 6716 2222 Fax: +91 40 6716 1563

Contact person: Mr. Murali Krishna

Email: LnT.buyback@kfintech.com Website: www.kfintech.com

SEBI Registration Number: INR00000221

Corporate Identity Number: L72400TG2017PLC117649

In case of any query, the Eligible Shareholders may contact the Registrar to the Buyback on any day except Saturday, Sunday and public holidays between 10 a.m. and 5 p.m. at the above mentioned address.

#### 15. Managers to the Buyback

**JM FINANCIAL**

**JM Financial Limited**

7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, Maharashtra, India

Contact Person: Mr. Jigar Jain

Email: LNTbuyback@axiscap.in Website: www.axiscapital.co.in

SEBI Registration Number: INM000010361

Corporate Identity Number: L67120MH1986PLC038784

#### 16. Directors' Responsibility

As per Regulation 24(i)(a) of the