

**January 14, 2023**

National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (East), Mumbai — 400 051.  
NSE Symbol: **LTTS**

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001  
BSE script Code: **540115**

Dear Sir / Madam,

**Sub: Postal Ballot Notice**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Postal Ballot Notice seeking approval of members through e-voting only for “Approval for Material Related Party transaction in connection with acquisition of a substantial portion of the Smart World & Communication Business of Larsen & Toubro Limited as a going concern on a slump sale basis and other incidental transactions/ matters”.

The Postal Ballot Notice is also available on the Company’s website at [www.ltts.com](http://www.ltts.com).

Thanking you.

Yours sincerely,

For **L&T Technology Services Limited**

**Prajakta Powle**  
**Company Secretary & Compliance Officer**  
**(M. No. A20135)**

**L&T TECHNOLOGY SERVICES LIMITED**

Regd. Office: L&T House, N.M. Marg, Ballard Estate, Mumbai 400 001

CIN: L72900MH2012PLC232169

Email: [investor@lts.com](mailto:investor@lts.com) • Website: [www.lts.com](http://www.lts.com)

Tel No.: +91 22-67525656 • Fax No.: +91 22-67525858

**NOTICE OF POSTAL BALLOT**

**[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, each as amended]**

Voting starts on	Voting ends on
Monday, January 16, 2023 at 9.00 A.M. (IST)	Tuesday, February 14, 2023 at 5.00 P.M. (IST)

**Dear Member(s),**

Notice is hereby given that the resolution set out hereunder is proposed for the approval of the members of L&T Technology Services Limited (“**Company**”) by means of postal ballot through e-voting process (“**E-voting**”), pursuant to Section 110, Section 108 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 (in continuation to the circulars issued earlier in this regard) issued by the Ministry of Corporate Affairs (“**MCA Circulars**”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (“**SS-2**”) and pursuant to other applicable laws and regulations.

Members’ consent is sought for the proposal contained in the resolution given in this Postal Ballot Notice. The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Act, pertaining to the said resolution 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.lts.com](http://www.lts.com) and the website of National Securities Depository Limited (“**NSDL**”) at [www.evoting.nsdl.com](http://www.evoting.nsdl.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**”) and collectively with BSE to be referred as (“**Stock Exchanges**”) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

In compliance with the MCA Circulars, the business of the Postal Ballot shall be transacted through electronic voting system. Accordingly, in compliance with Regulation 44 of the Listing Regulations and the provisions of Section 108, 110 and other applicable provisions of the Act read with Rule 20 and 22 of the Rules, as amended from time to time, MCA Circulars and SS - 2, the Company is pleased to provide to the Members, (whether holding shares in physical or demat form) the facility to exercise their right to vote on the matter included in the notice of the Postal Ballot by electronic means i.e. through e-voting services provided by NSDL. The instructions for e-voting are appended in this Postal Ballot Notice.

The Board of Directors of the Company, at its meeting held on January 12, 2023, has appointed Mr. Alwyn D'Souza holding Membership No. FCS 5559 and Certificate of Practice No. 5137 of M/s. Alwyn D'Souza & Co., Company Secretaries or failing him, Mr. Vijay Sonone holding Membership No. FCS 7301 and Certificate of Practice No. 7991, Practicing Company Secretary, as the scrutinizer ("**Scrutinizer**") for conducting the Postal Ballot, through e-voting process in accordance with law and in a fair and transparent manner. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

Please note that there will be no dispatch of physical copies of Notices 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 matter included in the notice of the Postal Ballot by electronic means i.e. through e-voting services provided by NSDL. The e-voting period will commence on **Monday, January 16, 2023 at 09.00 A.M. (IST)** and will end on **Tuesday, February 14, 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 Tuesday, February 14, 2023. E- voting will be blocked by NSDL immediately thereafter and voting will not be allowed beyond the said date and time.

Upon completion of the scrutiny of the votes cast in a fair and transparent manner, the Scrutinizer will submit his report to the Chairman of the Company or in his absence, any Director/any other person authorised by the Board of Directors of the Company. The results of the e-voting by Postal Ballot (with the Scrutinizer's report) will be announced by the Chairman of the Company or any Director/any other person authorized by the Board, on or before Thursday, February 16, 2023. The results of the Postal Ballot will be posted on the Company's website at [www.lts.com](http://www.lts.com) and the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and will be displayed on the Notice Board of the Company at its Registered Office. The results will also be intimated to the Stock Exchanges.

In the event the draft resolution as set out in the notice is assented to by the requisite majority by means of e-voting, it shall be deemed to have been passed at a General Meeting.

## **SPECIAL BUSINESS**

### **Approval for Material Related Party transaction in connection with acquisition of a substantial portion of the Smart World & Communication Business of Larsen & Toubro Limited as a going concern on a slump sale basis and other incidental transactions/ matters**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the applicable provisions of the Companies Act, 2013 along with 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 and subject to such other approvals, consents, permissions, sanctions of any authorities as may be necessary, approval of the Members of the Company be and is hereby accorded to, in ordinary course of business and on an arms' length basis, (a) acquire the substantial portion of the Smart World & Communication Business ("**SWC Business**") of Larsen & Toubro Limited ("**L&T**") by way of a slump sale (as defined under Section 2(42C) read with Section 50B of the Income Tax Act, 1961) as a going concern from L&T, the Holding Company and a Related Party of the Company within

the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, along with its assets and liabilities including but not limited to the concerned licenses, permits, regulatory approvals, employees, contracts and interests at value, for a total consideration of Rs. 800 crore (Rupees Eight Hundred Crore only), subject to working capital and other adjustments as set out in the Business Transfer Agreement entered into between the Company and L&T (**BTA**), on such terms and conditions as approved by the Board of Directors and Audit Committee of the Company and set out in the BTA; (b) enter into a service agreement with L&T for jointly executing and implementing project(s) awarded to the SWC Business with Power Transmission & Distribution Business of L&T, for a period of five years from FY 2023, upto an amount not exceeding Rs. 500 crore (Rupees Five Hundred Crore only), on such terms and conditions as approved by the Audit Committee of the Company; and (c) enter into a support and secondment agreement with L&T for rendering support services, including secondment of employees and sharing of software licenses, for a period of three years from FY 2023, upto an amount not exceeding Rs. 100 crore (Rupees One Hundred Crore only), on such terms and conditions as approved by the Audit Committee of the Company.

**RESOLVED FURTHER THAT** consent of the members of the Company be and is hereby accorded to the Company to enter into and/or continue to enter into other contract(s)/arrangement(s)/ transaction(s) with Larsen & Toubro Limited in the nature of a) sale, purchase, lease, or supply of goods or property; b) availing or rendering of services; c) transfer of any resources, services or obligations to meet its business objectives/requirements upto an amount not exceeding Rs. 600 crore (Rupees Six Hundred Crore only), on such terms and conditions as approved by the Audit Committee of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, any Director, Chief Financial Officer and Company Secretary and Compliance Officer, be and is hereby severally authorised to do all things and to take all incidental and necessary steps to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues, questions or difficulties that may arise in this regard, and delegate all or any of the powers herein conferred to any officer(s)/authority(ies)/person(s) of the Company, without further referring to the Members of the Company, including without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company.

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

By Order of the Board of Directors  
For **L&T TECHNOLOGY SERVICES LIMITED**

**PRAJAKTA POWLE**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**(Membership No.: A20135)**

**Date:** January 12, 2023

**Place:** Mumbai

**NOTES:**

- a) The relevant Statement pursuant to the provisions of Section 102 and Section 110 of the Act read with Rule 22 of the Rules, SS-2 and Listing Regulations, setting out the material facts relating to the aforesaid Resolutions, additional information and the reasons thereof is annexed hereto and forms part of this Notice.
- b) In accordance with the MCA Circulars, this Postal Ballot Notice is being sent via email only to the members of the Company, whose names appear on the Register of Members/list of Beneficial Owners, as received from NSDL and Central Depository Services (India) Limited (“**CDSL**”) on Friday, January 6, 2023 (“**cut-off date**”) and whose e-mail addresses are registered with the Company/Depositories/Depository Participants/Registrar and Transfer Agent (“**RTA**”) - KFin Technologies Limited (“**KFintech**”). Any person who is not a member as on the cut-off date should treat this Postal Ballot Notice for information purposes only. The same will also be available on the Company’s website at [www.ltts.com](http://www.ltts.com), websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) Members who have not registered/updated their email IDs so far are requested to register/update the same to get all notices, communications, etc. from the Company, electronically, as per the following procedure:

Physical Holding	Contact Company’s RTA, KFintech, by clicking on <a href="https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx">https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx</a> or by providing 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 <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>
Demat Holding	Contact respective Depository Participant.

In case of any queries, members may write to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [investor@ltts.com](mailto:investor@ltts.com).

- d) The dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Marathi newspaper, each with wide circulation in the district, where the Registered Office of the Company is situated, and also be published on the Company’s website at [www.ltts.com](http://www.ltts.com).
- e) In compliance with the provisions of Section 108 and 110 of the Act read with Rules 20 and 22 of the Rules and Regulation 44 of the Listing Regulations, the MCA Circulars and SS-2, the Company has provided e-voting facility for its Members to enable them to cast their votes electronically. The Company has engaged the services of NSDL to provide e-voting facility to its members.
- f) 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, January 6, 2023. The e-voting period commences on Monday, January 16, 2023 at 9:00 A.M. (IST) and ends on Tuesday, February 14, 2023 at 5:00 P.M. (IST).
- g) Once the vote on the Resolution is cast by the members, the members shall not be allowed to change it subsequently.

- h) Relevant documents referred to in this Postal Ballot Notice will be made available for inspection on NSDL's website, from the date of dispatch of notice upto the last date of e-voting i.e. Tuesday, February 14, 2023.
- i) The last date specified by the Company for e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
- j) 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 & Compliance Officer, L&T Technology Services Limited, A.M. Naik Tower, 6th Floor, L&T Campus, Gate No. 3, Jogeshwari – Vikhroli Link Road, Powai, Mumbai – 400072., Tel: (91 22) 6752 5656; Email – [investor@lts.com](mailto:investor@lts.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 download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal - Assistant Vice President – NSDL or Ms. Pallavi Mhatre, Senior Manager – NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

k) **PROCEDURE AND INSTRUCTIONS FOR E-VOTING:**

The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:





**Step 1: Access to NSDL e-voting system**

**I. LOGIN METHOD FOR E-VOTING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE:**

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’, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ 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 “ <b>Access to e-voting</b> ” under e-voting services and you will be able to see e-voting page. Click on company name or <b>e-voting service provider i.e. NSDL</b> and you will be re-directed to e-voting website of NSDL for casting your vote during the e-voting period.

Type of shareholders	Login Method
	<p>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> 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 <b>e-voting service provider i.e. NSDL</b> and you will be redirected to e-voting website of NSDL for casting your vote during the e-voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 40px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing Myeasi username &amp; password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the e-voting period. Additionally, links are provided to</p>

Type of shareholders	Login Method
	<p>access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail Id 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) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the e-voting period.

**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 details for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e., NSDL and CDSL:**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

## II. LOGIN METHOD FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: [www.evoting.nsdl.com/](http://www.evoting.nsdl.com/) either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.



3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e., Cast your vote electronically.
4. Your User ID details are given below:

<b>Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your e-mail Id is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail Id. Trace the email sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email Id is not registered, please register your email address by following the process given in point (c.) of this notice.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).

- b) [“Physical User Reset Password?”](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-voting will open.

### **Step 2: Cast your vote electronically on NSDL e-voting system.**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is active.
2. Select “EVEN 123229” of company for which you wish to cast your vote during the e-voting period.
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **GENERAL INSTRUCTIONS/INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS**

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [alwyn.co@gmail.com](mailto:alwyn.co@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-voting**" tab in their login.
- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through

the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

- iii. 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 download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal - Assistant Vice President – NSDL or Ms. Pallavi Mhatre, Senior Manager – NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

## **EXPLANATORY STATEMENT**

**As required by Section 102(1) and 110 of the Act and SEBI Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2021/662 dated November 22, 2021, the following Explanatory Statement sets out material facts relating to the business set out in the Notice.**

Pursuant to the provisions of Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), material related party transactions require prior 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 listed company as per the last audited financial statements of the listed company, whichever is lower. The materiality threshold for the Company for this purpose shall be 10% of the annual consolidated turnover as per the last audited financial statements i.e., Rs. 657 crore (Rupees Six Fifty-Seven Crore Only). Since acquisition of substantial portion of the Smart World & Communication Business of Larsen & Toubro Limited as a going concern on a slump sale basis and other incidental transactions/matters, exceed the aforesaid 10% threshold, it will be considered as a material related party transaction. Accordingly, prior approval of the shareholders is being sought.

### **ACQUISITION OF SUBSTANTIAL PORTION OF SWC BUSINESS OF L&T ON A SLUMP SALE BASIS**

SWC Business, a business unit of L&T, is a leading system integrator and global connected intelligence solutions provider. SWC Business has been leveraging the latest technological innovations in three segments - Safe & Smart Solutions, Communication and Cybersecurity.

SWC Business was started within L&T in FY16, with a mandate to leverage technology and address opportunities arising in India around smart cities and mass connectivity. Since then, the unit has had a track record of winning and implementing several mega projects for cities, Utilities and Government entities, leveraging disruptive technologies such as AI/ML, Cloud, and 5G. The unit has a diversified team of 700+ skilled professionals and has built innovative products like Fusion - a state-of-the-art platform for data analytics, and G-edge – a green Data Centre that can be used at the Edge which can deliver significant savings in Capex and in Opex.

In Safe and Smart, SWC brings capabilities around public safety, smart cities and critical infra, smart metering along with L&T Fusion Platform and Integrated Command and Control Center (IC3). SWC has implemented smart metering in states like Uttar Pradesh, Haryana and Delhi to the tune of 6 million meters. In Communication, SWC has strong credentials in network design, planning, implementation and management including Network Operations Center (NOC), OSS, datacenter, Cloud/private 5G. It has assisted multiple state governments in India with network operating centers and network management systems while establishing end-to-end network connectivity such as TANFINET and Telangana Fiber Grid. In Cybersecurity, SWC brings Full Lifecycle Threat Management capabilities, with offerings in risk assessment, threat monitoring, security architecture, design, and DevSecOps.

L&T Technology Services Limited is India’s largest Pure-Play Engineering Research & Development (“**ER&D**”) services provider. It has identified 6 Big Bets that will shape the ER&D market in the coming years and has been building capabilities in these areas. These 6 Big Bets are – Electric Autonomous Connected Vehicles, 5G, Digital Products & AI, Digital Manufacturing, MedTech & Sustainability.

As a progression of this 6 Big Bets strategy, the Company identified SWC Business as a business that could potentially open new avenues of growth in 3 of its big bets i.e., 5G, Digital Products and AI and Sustainability. The acquisition of the SWC Business can enhance & augment Company's capabilities across the entire gamut of digital offerings including design, architect, build & operate, effectively catering to the portfolios encompassing Next-Gen Communications, Sustainable Spaces and Cybersecurity.

With SWC Business, the Company will benefit from the following synergies:

- i. the ability to address 5G in a much more meaningful manner by targeting multiple segments viz. Operators, Enterprises and tap into potential of large future spends, viz. Sustainable Spaces;
- ii. address the market from a cyber security standpoint and enterprise security with an end-end technology stack with the addition of Security Operations Center (SOC) capability;
- iii. obtain the qualifications to participate in large opportunities globally that may involve design, build, rollout, and managed services cyber security, data center operations and network operations management; and
- iv. leverage SWC's software platform (Fusion - a state-of-the-art platform for data analytics) and products like G-edge (a green Data Centre) to offer cutting edge solutions that will provide higher value and productivity to customers.

The Company is well positioned to take SWC's capabilities to the global market and strengthen its leadership in the engineering and technology domain. The addition of SWC will expand the addressable market and drive higher revenue and profit growth for the Company in the coming years.

Thus, it is proposed that the Company acquire a substantial portion of the SWC Business of L&T, (including employees, assets and liabilities, licenses, regulatory approvals, permits, contracts and interests at value) as a going concern on a slump sale basis for a total consideration of Rs. 800 crore, subject to working capital and other adjustments as set out in the business transfer agreement entered between the Company and L&T ("**BTA**"). The revenue of the above substantial portion of the SWC Business of L&T during FY 2021-22 was Rs. 1,098 crore.

In order to arrive at the agreed consideration amount for acquisition of Rs. 800 crore for the SWC Business (which is subject to certain adjustments as set out in the BTA), the valuation report dated January 11, 2023 issued by Ernst & Young Merchant Banking Services LLP ("**EY**") has been considered. No values have been assigned to any of the individual assets or assumed liabilities comprised in the SWC Business. The range of Enterprise Value arrived at by EY for the SWC Business is from Rs. 769 crore to Rs. 890 crore. A copy of the report is available for inspection to the Members of the Company in the manner specified in this Notice. The said acquisition is in the ordinary course of business as per the Company's existing 'Related Party Transactions Policy' and is on an arm's length basis.

The key provisions of the BTA are set out below:

- SWC Business comprises of the Safe and Smart Segment & Communications Segment of the Smart World and Communication Business Unit & all Centres of Excellence in relation to the above but does not include the Military Communications Division & certain identified contracts;
- Purchase price is subject to post-closing adjustments in respect of net working capital and pre-closing liabilities in relation to leave encashment and post-retirement medical benefits for the employees that will get transferred;

- The closure of the transaction shall take place subject to the receipt of shareholders' approval for material related party transaction from both the Companies, customer consents and completion of other customary conditions precedents as set out in the BTA;
- Subject to satisfaction of conditions precedent identified under the BTA, the closing is expected to be completed on or before March 31, 2023; and
- Closing shall take place within 14 days of the fulfilment or waiver of the conditions precedent.

#### **SERVICE AGREEMENT WITH L&T**

The SWC Business has been awarded certain contracts jointly with Power Transmission & Distribution business unit of L&T ("**PT&D Business**"). Consequent to the acquisition of the SWC Business, certain portions of the order book that is awarded to SWC Business jointly with PT&D Business, is required to be catered to by the Company jointly with PT&D Business. Therefore, entering into the Service Agreement between the Company and L&T for upto an amount not exceeding Rs. 500 crore is required, the execution of which is expected to spread over a period of five years from FY2023.

The execution of the Service Agreement for the portion of contracts awarded jointly to SWC Business and PT&D Business is in the ordinary course of business for the Company. The Service Agreement would be executed on the same terms as agreed in line with contract conditions with the customer and hence it will be at arms' length.

#### **SUPPORT AGREEMENT WITH L&T**

The SWC Business is involved in certain identified contracts which do not form a part of the transaction. Consequent to acquisition of the SWC Business, these contracts would be required to be executed by L&T. In order to ensure the effective and efficient implementation of the current and ongoing projects, the Company will enter into the Support Agreement with L&T for support and services including secondment of employees and sharing of software licenses, for a period of three years from FY 2023, upto an amount not exceeding Rs. 100 Crore. The execution of the Support Agreement is in the ordinary course of business and on arms' length after obtaining requisite approvals of the Audit Committee of the Company.

#### **OTHER RELATED PARTY TRANSACTIONS**

Given the nature and scope of the business, the Company works closely with its related parties (including holding company and subsidiaries) to achieve its business objectives and enters into various operational transactions with its related parties, from time to time, in the ordinary course of business and on arms' length.

To meet its business objectives/requirements, the Company has entered/proposes to enter into other related party transactions with L&T as follows:

- a) sale, purchase, lease, or supply of goods or property;
- b) availing or rendering of services;
- c) transfer of any resources, services or obligations

The Company has been undertaking transactions of similar nature in the past in the ordinary course of business and on arms' length after obtaining requisite approvals of the Audit Committee of the Company.

The acquisition of SWC Business for a consideration amount of Rs. 800 crore, subject to working capital and other adjustments, along with entering into ancillary agreements with L&T such as Service Agreement and

Support Agreement, as part of the transaction, taken together will exceed the threshold of material related party transactions as provided in Regulation 23(1) of the Listing Regulations. The value of proposed transaction taken together is 30.44% of the Company's annual consolidated turnover for the immediately preceding financial year.

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 on the proposed transactions.

The details concerning the proposed transaction as required under SEBI circular dated November 22, 2021 bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662, are as follows:

Sr. No.	Particulars	Details
1	Name of the Related Party	Larsen & Toubro Limited
2	Nature of Relationship	Holding Company
3	Nature, duration, tenure, material terms, monetary value and particulars of the contract or arrangement	Please refer the details given above.
4	Transaction related to providing loan(s)/advances(s) or securities for loan taken by a related party	Not Applicable
4(a)	Details of the source of funds in connection with the proposed transaction	Not Applicable
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	Not Applicable
4(d)	Purpose for which funds will be utilised by L&T Technology Services Limited	Not Applicable
5	Any advance paid or received for the transaction	NIL
6	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by the value of the proposed transactions	30.44%
7	Details about valuation report	In order to arrive at the agreed consideration amount for acquisition, the valuation report issued by Ernst & Young Merchant Banking Services LLP has been relied upon. Members may follow the process for inspection of document as mentioned in 'Notes' section forming part of this Notice.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
8	Justification as to why the proposed transaction is in the interest of the Company	Please refer the details given above.
9	Any other information relevant or important for the shareholders to take an informed decision	All relevant/ important information forms a part of this Explanatory statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

The Board of Directors is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the resolution for approval of the members through postal ballot.

Accordingly, basis the approval of the Audit Committee, the Board recommends the resolution for approval of the shareholders. 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.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are interested or concerned in the said resolution except to the extent of their respective shareholding in the Company, if any.

By Order of the Board of Directors  
For **L&T TECHNOLOGY SERVICES LIMITED**

**PRAJAKTA POWLE**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**(Membership No.: A20135)**

**Date:** January 12, 2023

**Place:** Mumbai